

# **Exhibit 2**



# SANDCASTLES

Tracing Sanctions Evasion Through  
Dubai's Luxury Real Estate Market

ABOUT C4ADS

C4ADS (www.c4ads.org) is a 501(c)(3) nonprofit organization dedicated to data-driven analysis and evidence-based reporting of conflict and security issues worldwide. We seek to alleviate the analytical burden carried by public sector institutions by applying manpower, depth, and rigor to questions of conflict and security.

Our approach leverages nontraditional investigative techniques and emerging analytical technologies. We recognize the value of working on the ground in the field, capturing local knowledge, and collecting original data to inform our analysis. At the same time, we employ cutting edge technology to manage and analyze that data. The result is an innovative analytical approach to conflict prevention and mitigation.

© C4ADS 2018

COVER IMAGE

The cover image was produced by Devin Thorne.

ACKNOWLEDGEMENTS

The author would like to sincerely thank the team of C4ADS analysts who happily gave their time and skills to assist with data structuring, graphic design, editing, layout, and investigative analysis. This report truly would not have been possible without their efforts. The author would also like to thank Debra LaPrevotte, CAMS, a Senior Investigator with The Sentry, and Michael Miklaucic, a Senior Fellow and Editor of PRISM at the National Defense University, for their advice and insights in reviewing this report. Finally, this report heavily relied on the technology partners of C4ADS, particularly Palantir, whose software and systems were integral to the project’s success.

LEGAL DISCLAIMER

The mention of any individual, company, organization, or other entity in this report does not imply the violation of any law or international agreement, and should not be construed as such.

EXECUTIVE SUMMARY

Illicit actors, whether narcotics traffickers, nuclear proliferators, conflict financiers, kleptocrats, large-scale money launderers, or terrorists, all share a common need: they must move the proceeds of their criminal endeavors from the illicit marketplace into the licit financial system in order to use them effectively. Luxury real estate has become a significant pathway for this conversion, facilitated by imperfect information regarding ownership and the details behind these substantial financial transactions. This vulnerability affects major real estate markets around the world, including, but not limited to, London, Toronto, Hong Kong, New York, Singapore, Doha, Sydney, and Paris.

Dubai, the largest city in the United Arab Emirates (UAE), has become a favorable destination for these funds due in part to its high-end luxury real estate market and lax regulatory environment prizing secrecy and anonymity. While the UAE has taken steps to address this issue, its response thus far has failed to fully confront the underlying drivers enabling the manipulation of its real estate market. The permissive nature of this environment has global security implications far beyond the UAE. In an interconnected global economy with low barriers impeding the movement of funds, a single point of weakness in the regulatory system can empower a range of illicit actors. Our research shows that lax regulatory and enforcement environments – in Dubai, but also in other financial centers – have attracted criminal capital from around the world and offered a pathway into the international financial system for illicit actors and funds.

In this report, we examine seven individuals and organizations, their associated corporate networks, and their real estate holdings. **We identify 44 properties worth approximately \$28.2 million directly associated with sanctioned individuals, as well as 37 properties worth approximately \$78.8 million within their expanded networks.** Each of these people has been sanctioned by the United States (US), and many have also been designated by the European Union (EU) and EU member states. These networks are, therefore, deserving of particularly intense regulatory scrutiny. However, our research reveals that they have invested millions of dollars in luxury UAE real estate while continuing to engage in illicit activity within the last few years. These individuals and organizations, including their primary illicit activity and country of origin, are:

Case Study	Criminal Activity	Country
Wael Abdulkarim and Ahmad Barqawi	Conflict Finance	Syria
Hassein Eduardo Figueroa Gomez	Narcotics Trafficking	Mexico
Kambiz Mahmoud Rostamian	Nuclear Proliferation	Iran
The Altaf Khanani MLO	Terror Finance	Pakistan
Hossein Pournaghshband	Nuclear Proliferation	Iran
Kamel and Issam Amhaz	Terror Finance	Lebanon
Rami Makhoul	Grand Corruption	Syria

In nearly every case, we find:

- Properties associated with these individuals are directly connected to information within their sanctions designations. We identify a total of 44 properties associated with the primary sanctioned subjects across the seven profiles, of which 42 were previously unidentified.
- Expansive unsanctioned corporate networks, often with direct ties to the individual's Dubai properties. These networks extend to jurisdictions as wide ranging as Syria, Romania, Mexico, Cyprus, Lebanon, Hong Kong, the United States, Liberia, and the British Virgin Islands, to name but a few.
- Extensive use of family and third-party networks like lawyers, business partners, and nominees to obscure beneficial ownership of both sanctioned and unsanctioned commercial entities.
- Ongoing activities for which the individuals and networks were originally sanctioned, activities that are, in some cases, more prolific than they were prior to the sanctions.

# SANDCASTLES

EXECUTIVE SUMMARY	page 3
METHODOLOGY	page 6
INTRODUCTION	page 7
SUMMARY OF CASE STUDIES	page 9
Wael Abdulkarim and Ahmad Barqawi	page 11
Hassein Eduardo Figueroa Gomez	page 17
Kambiz Mahmoud Rostamian	page 23
THE ALTAF KHANANI MONEY LAUNDERING ORGANIZATION	page 27
Hossein Pournaghshband	page 33
Rami Mohammed Maklhouf	page 39
THE AMHAZ NETWORK	page 47
CONCLUSION	page 57



# METHODOLOGY

This report presents the findings of a year-long investigation ending in May 2018 of the Dubai property market, offering case studies of seven individuals sanctioned by the US, and in some cases also by the EU, all of whom have maintained property in Dubai within the last few years. Any mention of “sanctions,” “unsanctioned,” “sanctions designation,” or any other such terminology refers to regulatory sanctions levied by the US Department of the Treasury, or in some cases the European Union, to apply economic pressure on illicit actors. Through these case studies, we illustrate the manipulation of Dubai’s property market for the possible laundering and offshoring of illicit assets, and we show how property ownership in the UAE may enable further illicit investments and corporate activity abroad.

C4ADS based its investigation, in part, on private UAE data compiled by real estate and property professionals and provided to the organization by confidential sources. These data, which appear to have been updated last in 2016, are assessed to be credible, but do not constitute evidence of the same quality and standard as a property deed, a form of official documentation strictly controlled as confidential information in the UAE. As a result, C4ADS has sought, wherever possible, to corroborate and re-create this information with a variety of other datasets of open-source information. This included, for example, matching information like names, phone numbers, emails, and physical addresses in the residency data with information contained within relevant US sanctions designations; international corporate, judicial, and property registry records; and trade databases. Recognizing that the data may only represent a snapshot in time, we have attempted, wherever possible, to use other online activity to confirm that some of the individuals detailed in each case study likely continue to maintain a presence in the UAE.

C4ADS has chosen not to include specific information on individual residences (such as apartment numbers) to protect the privacy of any current, unrelated property owners and to account for possible changes in ownership following the collection of these data. For all properties that did not have a specified price, we used commercial aggregators to estimate the average cost of units based on pricing for comparable units in the same building or within the same community. Properties with a price that has been estimated are immediately followed by an asterisk, and all values, originally in Emirati dirham, have been converted to US dollars at the prevailing rate during the period of research (between September 2017 and May 2018) for the purposes of this report. The underlying details and documentation are available on a case-by-case basis upon request.

For each individual investigated in this report, we conducted focused research to gather additional information on their networks and their ongoing and previously unidentified activities, relying on global corporate, trade, property, and judicial records and supplemented by native-language media reporting. Data aggregated from these network expansions were structured using the Palantir Gotham network analysis platform. Some of our case studies were further enhanced using maritime databases and maritime domain awareness technology. Within each case study, our priority, wherever possible, was to identify unsanctioned individuals and companies playing key roles in the sanctioned entities’ networks, potential avenues for the perpetuation of the illicit activity initially sanctioned.

C4ADS uses official corporate records wherever available, along with commercial credit reports, to attempt to verify corporate holdings and commercial relationships. However, this information represents a limited timeframe, and records may not be updated regularly, may not be consistent or wholly accurate, and may not have the same standards of reporting across jurisdictions, among other limitations. In addition, public records do not reveal all details of operations of a company or relationships between entities. Therefore, C4ADS limits its analytical conclusions to those supported directly by underlying documentation within the limitations of those documents.

Our objective was not to make any determinations on the existence or legality of business activities, but rather to provide representative case studies demonstrating how sanctioned entities and individuals may be able to use corporate and real estate-related obfuscation to evade and adapt to sanctions. This report is not designed to be an analysis of any country’s laws or regulations for its real estate or corporate sector, and draws no conclusions about the adequacy of such laws and regulations. **The mention of any individual, company, organization, or other entity in this report does not imply the violation of any law or international agreement, nor should it be construed in any such fashion.**

# INTRODUCTION

**Real estate is one of the most attractive and widely-used vehicles for moving criminal capital.** Total illicit financial revenue was estimated at \$2.1 trillion in 2009, constituting approximately 3.6% of the global GDP.<sup>1</sup> To enter the licit financial system, this dirty money typically moves through three major stages of money laundering activity. Placement is the manner by which illicit funds are first inserted into the financial system. Layering follows, where these funds are moved away from their initial source to conceal the illicit origin. This eventually leads to integration, through which criminals can access, spend, invest, or cash out their now “clean” funds.<sup>2</sup> The real estate market is ideal for this process. Large property purchases, sometimes paid for using cash, and often with no requirements to list associated ownership information, not only allow criminals to launder or place large sums of money into the licit system, but can also facilitate the three stages of the money laundering process in a single transaction.<sup>3</sup> Perhaps due to these attractive money laundering qualities, real estate represented 30% of all criminal assets confiscated between 2011 and 2013.<sup>4</sup>

**Dubai’s real estate market represents a high risk for money laundering.** Internationally renowned for its opulence, Dubai was officially designated by the US Department of State as a jurisdiction and sector of primary money-laundering concern in 2016.<sup>5</sup> Sitting at the crossroads of financial flows from Africa, Asia, and the Middle East, Dubai and its property market are vulnerable to a host of conditions and factors, identified by the US Department of the Treasury and the Financial Action Task Force (FATF), that help to facilitate money laundering through real estate. These include weak financial regulation but a strong banking system; a business environment that prizes rapid, aggressive growth; and minimal oversight of corporate and property registration practices, resulting in the widespread use of anonymous companies and third-party ownership.<sup>6</sup> <sup>7</sup> These trends have facilitated large illicit financial inflows. In 2010, a US official stated that \$190 million in cash was smuggled from Kabul to Dubai over the course of just 18 days.<sup>8</sup> In February 2018, Pakistan’s National Accountability Bureau began an investigation into \$8 billion that was illegally transferred from Pakistan to the UAE before being invested in luxury real estate.<sup>9</sup> To address this issue, the UAE is beginning to work with international enforcement bodies to target specific illicit networks, as demonstrated by the recent joint action of the UAE and the US, targeting currency exchange networks used by the Iranian Revolutionary Guard Corps – Quds Force.<sup>10</sup>

**Dubai is not the only jurisdiction of concern.** New York, Miami, Los Angeles, London, Toronto, Sydney, Doha, Hong Kong, and other high-end real estate markets are all widely reported to have large amounts of illicit money flowing through their systems, constituting a global security threat.<sup>11</sup> <sup>12</sup> <sup>13</sup> <sup>14</sup> <sup>15</sup> A 2015 investigation by Transparency International uncovered more than £180 million in UK property purchases suspected to be the proceeds of corruption, over 75% of which relied on offshore shell companies registered in secrecy jurisdictions to obscure the beneficial owner.<sup>16</sup> In the United States, a series of “Geographic Targeting Orders” issued by the US Department of the Treasury in 2017 and 2018 pushed title-insurance companies to collect ownership information for real estate purchases across major metropolitan cities, highlighting the extent to which government records lack basic ownership information.<sup>17</sup> In Australia, a beneficiary of massive capital flight from developing countries, Chinese buyers now represent the largest group of investors across the entire property market, by one account pouring AUD 18 billion into Australian real estate in 2016 alone.<sup>18</sup> <sup>19</sup> Similarly, in Dubai, just 6,236 Indian investors bought AED 20 billion (approximately \$3.7 billion) in property in 2016, an average price of \$593,000 per property as compared to the median per capita income of \$1,670 in India during that same year.<sup>20</sup> <sup>21</sup>

**Money laundering through real estate supports a wide range of illicit activities.** A 2016 FATF report identified major vulnerabilities for terror financing in the high-end real estate sector in the US, given loopholes in regulation and reporting requirements.<sup>22</sup> Similarly, a February 2018 media exposé in Canada revealed that drug traffickers dealing in fentanyl had invested CAD \$47 million in the Vancouver property market through unofficial cash loans and other mechanisms, earning significant interest in addition to laundering their funds.<sup>23</sup> Meanwhile, kleptocrats around the world flock to invest their ill-gotten gains from corrupt practices in luxury real-estate.<sup>24</sup> For instance, in Malaysia’s infamous 1MDB scandal, more than \$4.5 billion was siphoned away from the country’s sovereign wealth fund, of which at least \$315 million (and possibly more than \$1 billion) was later invested in properties across the US and the UK.<sup>25</sup> <sup>26</sup>

**This report examines how illicit actors incorporate real estate into their broader commercial activities.** Using seven unique case studies of US and EU-sanctioned entities, this report outlines how some of the most high-risk illicit networks, including narco-traffickers, terror financiers, and nuclear weapons proliferators, have found refuge in Dubai’s real estate market. In each instance, we show that not only did these actors appear to own property in Dubai within the last few years, but that their ability to own this property also potentially provided them with access to the licit financial and corporate system, in turn affording them the opportunity to continue the criminal activity for which they were originally sanctioned.

1 (2011, October 25) Illicit money: how much is out there? United Nations Office on Drugs and Crime. Retrieved from: [https://www.unodc.org/unodc/en/frontpage/2011/October/illicit-money\\_-how-much-is-out-there.html](https://www.unodc.org/unodc/en/frontpage/2011/October/illicit-money_-how-much-is-out-there.html)

2 ICAS Practice Support. (2016, October 31) AML Awareness – Three stages of money laundering. Institute of Chartered Accountants of Scotland (ICAS). Retrieved from: <https://www.icas.com/regulation/aml-awareness-three-stages-of-money-laundering>

3 (2017, August 22) Advisory to Financial Institutions and Real Estate Firms and Professionals. Financial Crimes Enforcement Network, United States Department of the Treasury. Retrieved from: [https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory\\_FINAL%20508%20Tuesday%20%28002%29.pdf](https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory_FINAL%20508%20Tuesday%20%28002%29.pdf)

4 (2013, June) Money Laundering and Terrorist Financing Vulnerabilities of Legal Professionals. Financial Action Task Force (FATF). Retrieved from: <http://www.fatf-gafi.org/media/fatf/documents/reports/ML%20and%20TF%20vulnerabilities%20legal%20professionals.pdf>

5 (2016) Countries/Jurisdictions of Primary Concern – United Arab Emirates. 2016 International Narcotics Control Strategy Report (INCSR). Bureau of International Narcotics and Law Enforcement Affairs, US Department of State. Retrieved from: <https://www.state.gov/j/inl/rls/nrcrpt/2016/vol2/253437.htm>

6 (2016) Countries/Jurisdictions of Primary Concern – United Arab Emirates. 2016 International Narcotics Control Strategy Report (INCSR). Bureau of International Narcotics and Law Enforcement Affairs, US Department of State. Retrieved from: <https://www.state.gov/j/inl/rls/nrcrpt/2016/vol2/253437.htm>

7 (2017, August 22) Advisory to Financial Institutions and Real Estate Firms and Professionals. Financial Crimes Enforcement Network, United States Department of the Treasury. Retrieved from: [https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory\\_FINAL%20508%20Tuesday%20%28002%29.pdf](https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory_FINAL%20508%20Tuesday%20%28002%29.pdf)

8 Mathiason, N. (2010, January 23) Dubai's dark side targeted by international finance police. The Guardian. Retrieved from: <https://www.theguardian.com/business/2010/jan/24/dubai-crime-money-laundering-terrorism>

9 Rana, S. (2018, February 9) NAB to prove Pakistanis' Dubai investment. The Express Tribune. Retrieved from: <https://tribune.com.pk/story/1630838/2-nab-probe-pakistanis-dubai-investment/>

10 (2018, May 10) United States and United Arab Emirates Disrupt Large Scale Currency Exchange Network Transferring Millions of Dollars to the IRGC-QF. United States Department of the Treasury. Retrieved from: <https://home.treasury.gov/news/press-releases/sm0383>

11 Martini, M. (2017, March 29) Doors Wide Open: Corruption and Real Estate in Four Key Markets. Transparency International. Retrieved from: [https://www.transparency.org/whatwedo/publication/doors\\_wide\\_open\\_corruption\\_and\\_real\\_estate\\_in\\_four\\_key\\_markets](https://www.transparency.org/whatwedo/publication/doors_wide_open_corruption_and_real_estate_in_four_key_markets)

12 Saul, S. and Story, L. Towers of Secrecy: Piercing the Shell Companies. New York Times. Retrieved from: <https://www.nytimes.com/news-event/shell-company-towers-of-secrecy-real-estate>

13 Balani, H. (2016, July 27) Will Hong Kong's crackdown on money laundering harm the economy? Accuity. Retrieved from: <https://accuity.com/accuity-insights-blog/will-hong-kongs-crackdown-on-money-laundering-harm-the-economy/>

14 Dong, E. and Zhang, D. (2017, September 28) Chinese Money Is Still Leaking Into the World's Housing Markets. Bloomberg. Retrieved from: <https://www.bloomberg.com/news/articles/2017-09-28/chinese-money-seeps-through-cracks-into-world-s-housing-markets>

15 (2015) Countries/Jurisdictions of Primary Concern – Qatar. 2015 International Narcotics Control Strategy Report (INCSR). Bureau of International Narcotics and Law Enforcement Affairs, US Department of State. Retrieved from: <https://www.state.gov/j/inl/rls/nrcrpt/2015/supplemental/239287.htm>

16 Simone, M. (2015, March) Corruption on your Doorstep: How Corrupt Capital is Used to Buy Property in the UK. Transparency International UK. Retrieved from: <http://www.transparency.org.uk/publications/corruption-on-your-doorstep/#.Wr1AeZPwbFy>

17 (2017, August 22) Geographic Targeting Order. Financial Crimes Enforcement Network, United States Department of the Treasury. Retrieved from: <https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20Order%20-%208.22.17%20Final%20for%20execution%20-%20Generic.pdf>

18 Thurlow, R. (2016, April 10) Chinese Investment in Australian Real Estate Doubles. The Wall Street Journal. Retrieved from: <https://www.wsj.com/articles/chinese-investment-in-australian-real-estate-doubles-1460265591>

19 Jacobs, S. (2017, July 6) Chinese investors purchase \$24 billion worth of Australian real estate each year. Business Insider Australia. Retrieved from: <https://www.businessinsider.com.au/chinese-investors-purchase-24-billion-worth-of-australian-real-estate-each-year-2017-7>

20 (2017, January 14) Dubai Land Department's media report for 2016 real estate transactions. Government of Dubai Media Office. Retrieved from: <http://mediaoffice.ae/en/media-center/news/14/1/2017/dubai-land.aspx>

21 Country Profile, India. World Bank. Retrieved from: [http://databank.worldbank.org/data/views/reports/reportwidget.aspx?Report\\_Name=CountryProfile&Id=b450fd57&tbar=y&dd=y&inf=n&zm=n&country=IND](http://databank.worldbank.org/data/views/reports/reportwidget.aspx?Report_Name=CountryProfile&Id=b450fd57&tbar=y&dd=y&inf=n&zm=n&country=IND)

22 Anti-money laundering and counter-terrorist financing measures – United States. (2016, December) Financial Action Task Force (FATF) and the Asia/Pacific Group on Money Laundering (APG). Retrieved from: <http://www.fatf-gafi.org/media/fatf/documents/reports/mer4/MER-United-States-2016.pdf>

23 Tomlinson, K., Xu, X. (2018, February 16) B.C. vows crackdown after Globe investigation reveals money-laundering scheme. The Globe and Mail. Retrieved from: <https://www.theglobeandmail.com/news/investigations/real-estate-money-laundering-and-drugs/article38004840/>

24 Northam, J. (2016, October 13) When Kleptocrats Bring Money Into The U.S., There's Now A Plan To Seize It. National Public Radio. Retrieved from: <https://www.npr.org/sections/parallels/2016/10/13/497706638/when-kleptocrats-bring-money-into-the-u-s-theres-now-a-plan-to-seize-it>

25 Sipalan, J. (2017, December 5) Jeff Sessions calls Malaysia's 1MDB scandal 'kleptocracy at its worst' Reuters. Retrieved from: <https://www.reuters.com/article/us-malaysia-scandal-doj/jeff-sessions-calls-malysias-1mdb-scandal-kleptocracy-at-its-worst-idUSKBN1DZOMX>

26 (2017, August 22) Advisory to Financial Institutions and Real Estate Firms and Professionals. Financial Crimes Enforcement Network, United States Department of the Treasury. Retrieved from: [https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory\\_FINAL%20508%20Tuesday%20%28002%29.pdf](https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory_FINAL%20508%20Tuesday%20%28002%29.pdf)

# SUMMARY OF CASE STUDIES

This report profiles seven sanctioned individuals designated for a variety of illicit activities. These include grand corruption, conflict financing, narco-trafficking, money laundering, support of terrorist activities, and nuclear proliferation. Although the associated activity differs across case studies, we find a common logic in how investments in real estate reveal critical details of how sanctioned individuals and their networks operate and maintain corporate commercial activities – in this case, through the UAE. The case studies, as well as their primary activity and country of origin, are as follows:

Case Study	Criminal Activity	Country
Wael Abdulkarim and Ahmad Barqawi	Conflict Finance	Syria
Hassein Eduardo Figueroa Gomez	Narcotics Trafficking	Mexico
Kambiz Mahmoud Rostamian	Nuclear Proliferation	Iran
The Altaf Khanani MLO	Terror Finance	Pakistan
Hossein Pournaghshband	Nuclear Proliferation	Iran
Kamel and Issam Amhaz	Terror Finance	Lebanon
Rami Makhoul	Grand Corruption	Syria

These case studies demonstrate that, despite international and domestic prohibitions, sanctioned individuals and their associates continue to invest millions of dollars into private luxury real estate. The case studies also highlight the wealth of information held in property and residency data, demonstrating how it could be used to identify evasive and potentially illicit conduct.

Finally, these case studies illustrate how luxury real estate markets like Dubai are vulnerable to the ongoing commercial and financial activities of sanctioned networks that threaten global security. By examining this issue in depth, we aim to provide some perspective on the modus operandi used by various networks as they attempt to evade sanctions. We also seek to offer essential context for evaluating the effectiveness of official regulatory efforts like sanctions.





# Wael Abdulkarim and Ahmad Barqawi

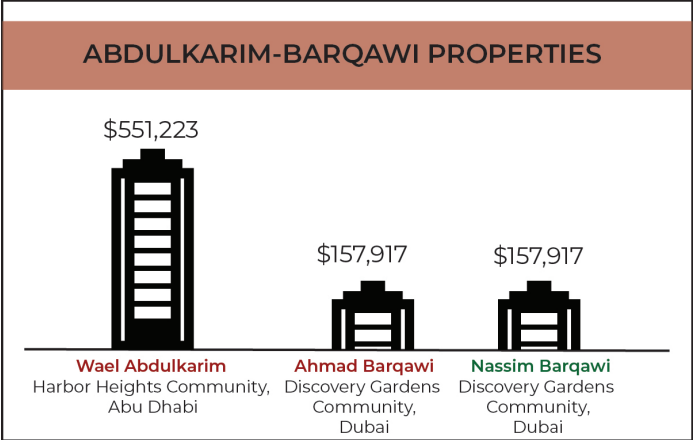


The US Department of the Treasury sanctioned Syrian nationals **Wael Abdulkarim** and **Ahmad Barqawi** for operating a transnational network of companies in Syria, the UAE, Turkey, Panama, and the Seychelles that was being used to circumvent sanctions on Syrian fuel imports. For at least two years leading up to their sanctions designation, this duo allegedly used multiple shipping and logistics companies to procure and transport aviation fuel and base oils (for use in the Homs refinery) from Ukraine and Russia to Syria, providing a critical lifeline to the Assad regime and its military operations. The US Department of the Treasury sanctioned both men, five of their companies (including **Pangates International Corporation Limited** (UAE), **Maxima Middle East Trading Co.** (UAE), **Morgan Additives Manufacturing Co.** (UAE), and **Milenyum Energy S.A.** (Turkey)), and seven of their vessels in 2014 and 2015. The EU and a number of member states have also sanctioned parts of this network<sup>1 2</sup>

Based on their social media activity, both Barqawi and Abdulkarim appear to reside in the UAE as of the spring of 2018, where they each have property holdings. Far from being hindered by international regulatory efforts, this duo’s corporate and shipping activity seems to have increased since their sanctions designation. Their sanctioned tankers have conducted over 45 shipments to the Syrian government-controlled port of Baniyas between 2015, when the vessels were sanctioned, and May 2018. Meanwhile, Barqawi and Abdulkarim’s sanctioned network indicates a high level of convergence with unsanctioned intermediaries through shared employees, addresses, and phone numbers. Many of these new companies and vessels appear to ship fuel to Syria and may be involved in other fuel smuggling schemes in Yemen.

\$1 MILLION	3 PROPERTIES
-------------	--------------

USE OF REAL ESTATE

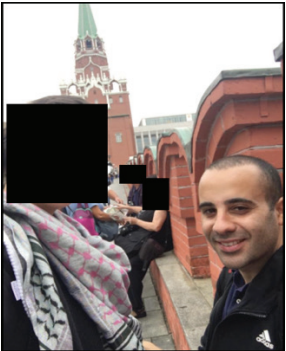


The Barqawi and Abdulkarim families, interrelated through marriage, are tied to three properties in the UAE cumulatively worth an estimated \$867,067.<sup>3 4</sup> The phone numbers, addresses, and emails used on these property listings match those included on the official US sanctions designation and public commercial listings for **Pangates International** and **Morgan Additives Manufacturing Co.**, both of which were sanctioned as key companies within the fuel smuggling network. The two properties directly tied to the sanctioned individuals are listed below:

Ahmad Barqawi’s brother, **Nassim Barqawi**, is also linked to one property, which is listed below. Nassim Barqawi served as the General Administrative Manager at Morgan Additives Manufacturing Co., a position he still includes on his Zoominfo corporate networking profile.<sup>5 6 7</sup> He allegedly also served as a shareholder of the sanctioned Pangates International.<sup>8</sup> Properties associated with Nassim Barqawi in the reviewed data used the same address as the sanctioned Morgan Additives.<sup>9</sup>

Social media profiles affiliated with these three men indicate that they have lived in the UAE as recently as March 2018.<sup>10</sup> Additionally, Barqawi and Abdulkarim have apparently continued to travel internationally despite existing sanctions meant to restrict their movement abroad. According to posts from their social media accounts, Ahmad Barqawi traveled to Russia in July 2015 and again in July 2017, while Wael Abdulkarim traveled to Turkey in July 2015.<sup>11 12 13</sup>

These identifiers also help to confirm the nexus between the sanctioned network and unsanctioned individuals and companies, many of which appear to be active as of May 2018. For instance, data from the Panama Papers list **Adnan Naim Ibrahim Abdul Karim**, who is not subject to US or EU sanctions, as one of only two shareholders for the sanctioned companies Maxima Middle East and Pangates International.<sup>14 15</sup> The Panama Papers also indicate that Adnan served as the sole known shareholder of the unsanctioned company **Vectra International Trading Co.**, an entity registered in the Seychelles for which public information appears nonexistent.<sup>16</sup>



Ahmad Barqawi on a trip to Moscow, Russia in July 2017. Source: Facebook

INVOICE			
MAKINA GREASE & LUBRICANTS MANUFACTURING LLC		Invoice No	
AL SAJAA		Invoice Date	
Tel 05; Fax 06-5310224		Job No	
Attn : ATTN: ENGR. FERAS TAISIR		Customer Ref	
		User / SP	
Service Details For FLEXI TANK			
Shipper	:	Master Doc No.	:
Consignee	:	House Doc No.	:
Origin	:	ETA/ETD	:
Destination	:	A/Weight	:
Flight	:	C/Weight	:
Commodity	:	Volume	:
No of Pags	:		
HL Particulars	UOM	Qty	
1 ALL INCLUSIVE CHARGES	CNTR	5.00	
(JAE) THIRTY ONE THOUSAND FORTY SIX AND 11/100 ONLY			
Container No :			
Acc Name	:	SUN LOGISTICS LLC	Bank Name
Acc Number	:	101-50173327-01 (AED) 102-50173327-02 (USD)	Swift Code
IRAN No	:	AE790260001015017332701 (AED) AE870260001025017332702 (USD)	
Remarks	HL NO. DX38032889		
For	SUN LOGISTICS LLC		

An excerpt from a bill of lading, showing Makina Grease & Lubricants Manufacturing LLC shipping base oils to Syria in December 2016. Source: Sun Logistics (India)

Pangates International and Maxima Middle East were both sanctioned for arranging illicit fuel and base oil shipments to the regime in Syria.<sup>17</sup> Many of their unsanctioned commercial partners—companies connected by shared identifiers and officers—may similarly serve as a bridge between the sanctioned and unsanctioned economies. For example, the former Syrian point of contact for Pangates International in the UAE now owns and runs his own company, the UAE-based **Makina Grease & Lubricants Manufacturing L.L.C.**<sup>18 19 20</sup> The company, which specializes in fuel and petroleum products exports and trade, declares on its website that it exports to Lebanon and Iraq, with an operating revenue of \$3 million in 2016.<sup>21</sup> However, shipment documents from December 2016 show that Makina shipped medium base oils (used as lubricants in industrial machinery, such as that found in refineries)<sup>22</sup> to the Syrian port of Latakia—16 months after the most recent sanctions against the Barqawi-Abdulkarim network.<sup>23</sup> As such, unsanctioned companies like Makina that maintain close ties to the original sanctioned Barqawi-Abdulkarim network could represent a significant risk for ongoing fuel and base oil shipments into Syria in violation of existing sanctions.

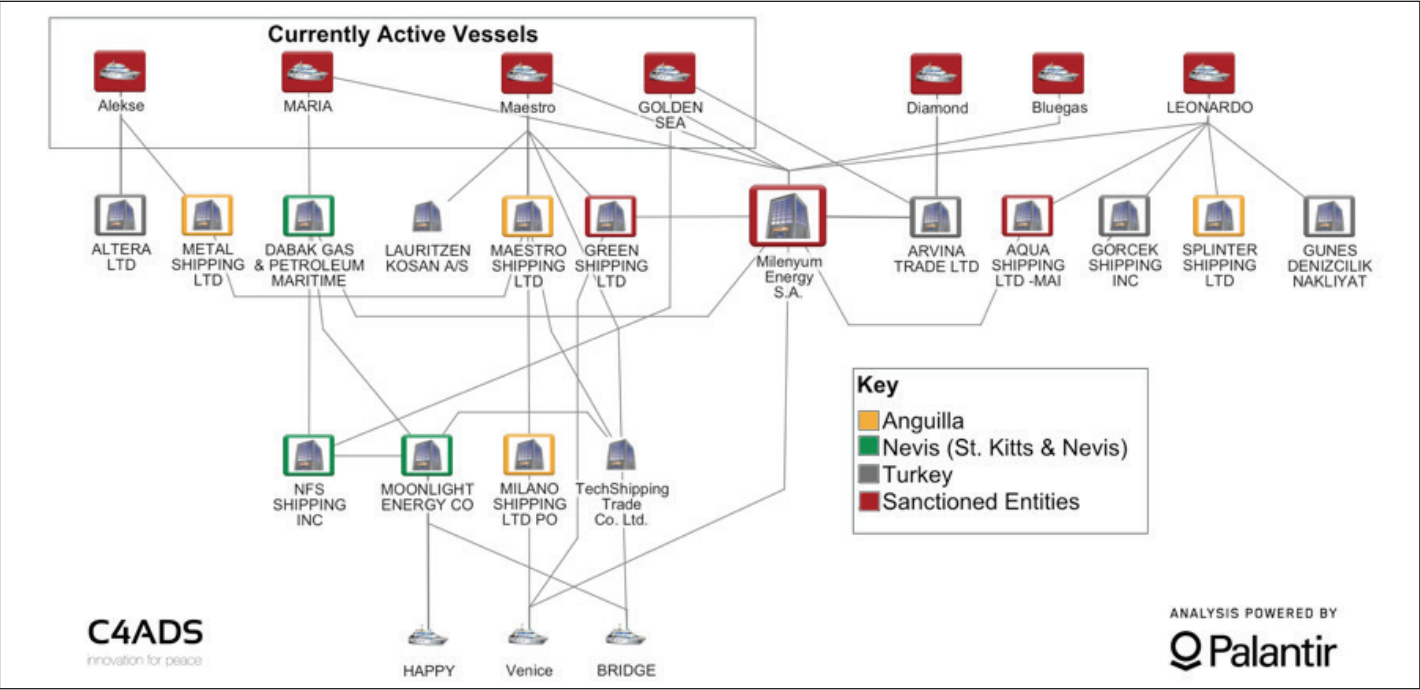
CONTINUED FUEL SMUGGLING ACTIVITY

Many of the vessels sanctioned as a part of the Barqawi-Abdulkarim network were active as of May 2018, and seemed to be shipping fuel to Syria at that time. Almost all of these vessels appear to have changed their names and identifying information, and to have changed ownership to new, unsanctioned entities directly associated with the original sanctioned companies.<sup>24</sup>

For example, **Milenyum Energy S.A.**, registered in Panama and operating out of Turkey, was sanctioned in August 2015 for arranging regular fuel shipments to the Syrian Government as part of the Barqawi-Abdulkarim network.<sup>25</sup> Notably, a single shipment in February 2015 was valued at over \$7 million.<sup>26</sup> After Milenyum was sanctioned, two of the vessels that had also been sanctioned changed their names and switched ownership to a company based in Turkey, **Arvina Trade Ltd.**<sup>27</sup> Arvina Trade shares two phone numbers with Milenyum Shipping, and according to Equasis data retrieved in May 2018, Arvina owns these two sanctioned vessels, one of which appeared to ship fuel to Syria as of May 2018.<sup>28 29 30</sup> In addition, a phone number used by Arvina and Milenyum is registered to an individual named only as “Ufuk,” a possible reference to **Ufuk Kenar**, the director and secretary of Milenyum who was sanctioned by the US Department of the Treasury for his direct involvement in these fuel procurement schemes.<sup>31 32 33</sup> Entities like Arvina Trade, which have ties to the original sanctioned companies owning these vessels, show how Abdulkarim and Barqawi could use new commercial organizations to obfuscate ownership and continue regular shipments of fuel to Syria.

Of the seven vessels sanctioned alongside Milenyum, five maintained shipping operations after being sanctioned.<sup>34</sup> Four of these vessels have transported fuel shipments into Syria within the last few months, with three operating as recently as May 2018 along the same routes for which they were originally sanctioned, according to maritime domain awareness technology.<sup>35 36</sup> Since August 2015 (the date of the original vessel designations), the sanctioned vessels have cumulatively conducted an estimated 47 trips transporting fuel from Ukraine and Russia to Syria under new names, identifiers, and owners.<sup>37</sup> Some of these vessels have also transported shipments from Croatia to Syria, a previously unidentified supply line within this network.<sup>38</sup> Of the companies that now own these vessels, there are **six unsanctioned companies**, several of which are incorporated in secrecy jurisdictions such as Anguilla and St. Kitts & Nevis. Of these six unsanctioned companies, three share the exact same address in Anguilla and three share an identical address in St. Kitts & Nevis.<sup>39</sup>

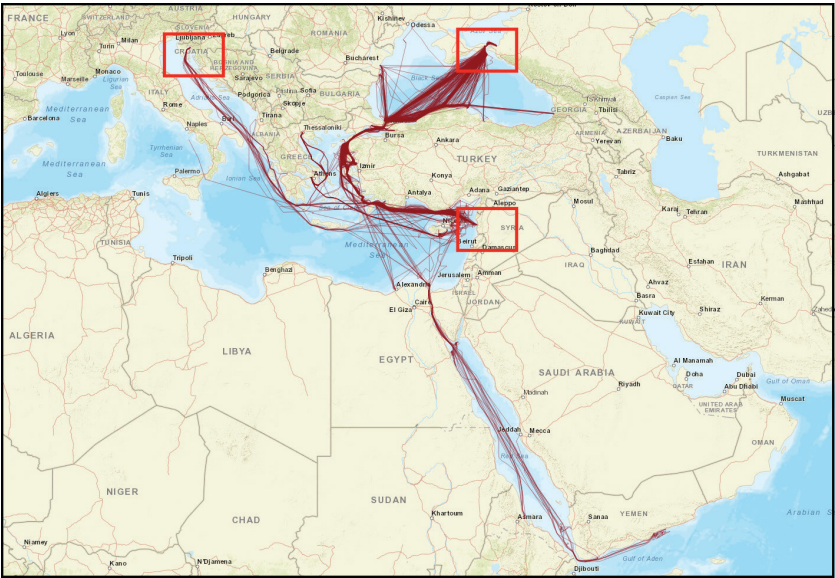
Finally, there are an additional five vessels and three companies that match the transit patterns, owners, and managers of the original sanctioned vessels. Just one of these vessels—the MV Venice—conducted approximately 27 trips transporting fuel between Ukraine, Russia, Croatia and Syria between April 2015 and May 2018.<sup>40</sup>



Palantir chart showing connections between the sanctioned vessels, their past and current ownership, and other companies and vessels of interest. Color coded by jurisdiction.

The vessels in the Barqawi-Abdulkarim network, including those currently in operation, typically load their petroleum cargo in Kerch, Ukraine; Temryuk, Russia; and Rijeka, Croatia, before offloading at Baniyas, Syria.<sup>41</sup> These vessels often go dark, losing their Automatic Identification Signal (AIS) while entering and exiting the port at Kerch—a pattern corroborated by local bloggers, who allege that on January 16, 2018 one of the sanctioned ships (the **MV Alekse**) loaded 2,400 tons of liquefied gas in Kerch while not transmitting its AIS signal.<sup>42</sup>

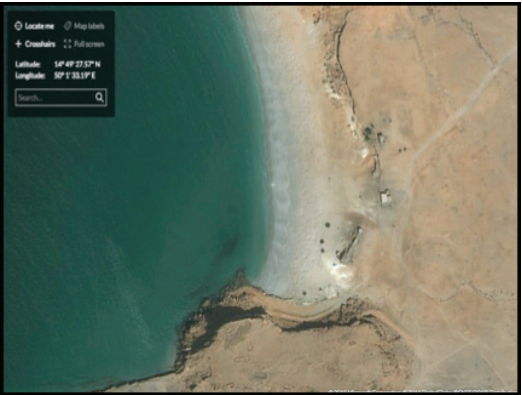




The historical vessel path of Golden Sea (AKA Blue Way) from 2014 through present. Source: Maritime Domain Awareness Technology

After picking up cargo, the vessels often report a draft change (a measure of how deep a vessel sits in the water, thus indicating changes in weight).<sup>43</sup> Upon leaving Kerch or Temryuk, they then travel through Turkey's straits toward Cyprus.<sup>44</sup> As they approach Syria, the vessels almost always lose their AIS signals for a number of days, after which they sometimes report a negative change in draft—an indication that their fuel cargo was offloaded during the period of AIS irregularity.<sup>45</sup> <sup>46</sup> Multifactor analysis of each vessel's known or estimated speed and the distance between the vessel's location and Baniyas, before and after the loss of AIS signal, confirms that these vessels have adequate time to travel to Baniyas, offload their fuel cargo, and leave.<sup>47</sup>

Vessels in the network have also made suspicious voyages to other conflict zones. For example, the **MV Maria**, sanctioned in August 2015, arrived off the coast of Yemen in early April 2016. It then loitered for three months near the unofficial port of Sharmah in Hadramut province, a coastline notorious for illicit trafficking activity. The MV Maria subsequently lost its AIS signal for five months before reappearing in the same location for a month and then going completely offline.<sup>48</sup> As shown in the image on the right, this location has a few structures and affords road access to a highway running along the southern coast.<sup>49</sup> This road connects to Ash Shihr and Mukalla, both known fuel smuggling ports, the latter of which was under Al Qaeda control from April 2015 to April 2016.<sup>50</sup> <sup>51</sup> The convergence of a ship sanctioned for smuggling fuel into Syria and transit activity to a known fuel smuggling hub in Yemen may indicate that this network partakes in a more diverse range of smuggling activity than was originally known, though this is impossible to confirm without additional information.



Satellite imagery of Sharmah shows only a few buildings and a road leading inland. Source: Zoom Earth

CONCLUSION

Sanctioned actors Wael Abdulkarim and Ahmad Barqawi invested over \$700,000 in Dubai real estate in their own names, some of which may be derived from illicit profits earned through fuel smuggling operations to Syria. Despite ostensibly being under sanctions restrictions, key members of the group appear to live in Dubai and to have the ability to continue their illicit commercial shipping operations as of May 2018. Within the network, sanctioned and unsanctioned companies converge in the UAE, where both sets of companies share phone numbers and addresses, as well as owners, managers, and shareholders. With some adaptations—such as the sale of sanctioned vessels to unsanctioned companies under different names—the network appears to have expanded its operations and seems to have continued the illicit activities for which it was originally sanctioned, potentially even expanding into other conflict zones, such as Yemen.

ENDNOTES

1 (2014, December 17) Treasury Imposes Additional Sanctions Against Syrian Regime Supporters and Sanctions Evaders. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/j19718.aspx>

2 Accuity Online Compliance. World Compliance. Retrieved from: <https://accuity.worldcompliance.com/SignIn.aspx?ReturnUrl=%2fMetaWatch2.aspx%3fkP%3d94ae4656-6f77-4c6c-b2ad-626ffc4cef29&kP=94ae4656-6f77-4c6c-b2ad-626ffc4cef29>

3 Wael Abdulkarim. (1995, August 11) [Facebook Post]. Retrieved from: <https://www.facebook.com/100001907431467/posts/461332897273621/>

4 UAE Property and Residency Dataset.

5 Morgan Additives Manufacturing Co. Oil & Gas Directory Middle East. Retrieved from: <http://www.oilandgasdirectory.com/profile/details/33423/Morgan-Additives-Manufacturing-Co.html>

6 Nasim Barqawi. ZoomInfo Profile. Retrieved from: <https://www.zoominfo.com/p/Nassim-Barqawi/-1617811744>

7 Zoominfo is a professional networking site similar to LinkedIn, where individuals create and populate their own profile.

8 al-Ghazali, N. Translated by Traboulsi, K. (2016, April 5) Panama Papers: Who's running Assad's sanctions-busting network? The New Arab. Retrieved from: <https://www.alaraby.co.uk/english/indepth/2016/4/5/all-the-dictators-men-who-runs-assads-sanctions-busting-network>

9 UAE Property and Residency Dataset.

10 Facebook analysis of each individual's social media profiles, as well as those of their immediate family members. Retrieved from: <https://www.facebook.com/>

11 Dana Hilal. (2015, June 6) [Facebook Post] Retrieved from: <https://www.facebook.com/photo.php?fbid=10152928500798461&set=pb.691393460.-2207520000.1520625569.&type=3&theater>

12 Dana Hilal. (2017, July 15) [Facebook Post] Retrieved from: <https://www.facebook.com/photo.php?fbid=10154727299728461&set=pb.691393460.-2207520000.1520625254.&type=3&theater>

13 Lama Barqawi. (2015, July 17) [Facebook Post] Retrieved from: <https://www.facebook.com/lama.barqawi.9>

14 Maxima Middle East Trading Co. Offshore Leaks Database. The International Consortium of Investigative Journalists. Retrieved from: <https://offshoreleaks.icij.org/nodes/10030281>

15 Pangates International Corporation Limited. Panama Papers Data. Retrieved from: <https://panama.data2www.com/e/10032182>

16 Vectra International Trading Co. Offshore Leaks Database. The International Consortium of Investigative Journalists. Retrieved from: <https://offshoreleaks.icij.org/nodes/10190395>

17 The Syrian government allegedly used the fuel and base oil procured by the Abdulkarim-Barqawi network in its military operations against the people of Syria. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/j19718.aspx>

18 Contact Us. Pangates International Corp. Ltd. Accessed via the Wayback Machine. Retrieved from: <https://web.archive.org/web/20080112225626/http://www.pangates-me.com:80/contact.html>

19 United Arab Emirates. Made-in-China. Retrieved from: [https://www.made-in-china.com/global-company-index/United\\_Arab\\_Emirates-5024-253.html](https://www.made-in-china.com/global-company-index/United_Arab_Emirates-5024-253.html)

20 About Us. Makinalube. Retrieved from: <http://makinalube.ae/about-us/>

21 Makina Grease & Lubricants Manufacturing LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.

22 Noria Corporation. Understanding the Difference in Base Oil Groups. Machinery Lubrication. Retrieved from: <http://www.machinerylubrication.com/Read/29113/base-oil-groups>

23 (2016, December 22) Invoice. Sun Logistics. Retrieved from: [http://webcache.googleusercontent.com/search?q=cache:N0jXOOnBB5sJjbm.sunlogistics.co.in/JBM\\_Doc\\_Library/IFF/JOBDOC/JBMAttach32wds0q2y15djlrxqczljsbhSUN583SUN3482.pdf&cd=2&hl=en&ct=clnk&gl=us](http://webcache.googleusercontent.com/search?q=cache:N0jXOOnBB5sJjbm.sunlogistics.co.in/JBM_Doc_Library/IFF/JOBDOC/JBMAttach32wds0q2y15djlrxqczljsbhSUN583SUN3482.pdf&cd=2&hl=en&ct=clnk&gl=us) – Since the investigation, this specific page has gone dead. C4ADS maintains a file of the website as it appeared prior to going inactive. Available upon request.

24 Equasis shipping records. Retrieved from: <http://www.equasis.org/>

25 (2015, September 3) Treasury Targets Syrian Regime Energy Networks. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/j10137.aspx>

26 (2015, September 3) Treasury Targets Syrian Regime Energy Networks. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/j10137.aspx>

27 Equasis shipping records. Retrieved from: <http://www.equasis.org/>

28 Contact. Arvina Trade Ltd. Retrieved from: <http://www.arvinatrade.com/contact.php>

29 MILENYUM ARMATORLUK LIMAN VE GEMI ISLETMECILIGI LTD.STI. Naakliye. Retrieved from: [https://www.nakliyeherberim.com.tr/naakliye/detay\\_son\\_sayfa.aspx?firma\\_no=26139](https://www.nakliyeherberim.com.tr/naakliye/detay_son_sayfa.aspx?firma_no=26139)

30 Golden Sea. IMO 8800298. AIS data from leading maritime domain awareness technology platform.

31 Contact. Arvina Trade Ltd. Retrieved from: <http://www.arvinatrade.com/contact.php>

32 902163596970. TrueCaller. Retrieved from: <https://www.truecaller.com/search/tr/2163596970>

33 (2015, September 3) Treasury Targets Syrian Regime Energy Networks. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/j10137.aspx> <https://www.treasury.gov/press-center/press-releases/Pages/j10137.aspx>

34 AIS data from leading maritime domain awareness technology platform.

35 This investigation was completed at the end of May 2018, thus this time period represents the most up-to-date information at the time of the investigation's completion.

36 AIS data from leading maritime domain awareness technology platform.

37 AIS data from leading maritime domain awareness technology platform.

38 AIS data from leading maritime domain awareness technology platform.

39 Equasis shipping records. Retrieved from: <http://www.equasis.org>.

40 AIS data from leading maritime domain awareness technology platform.

41 AIS data from leading maritime domain awareness technology platform

42 Yaresko K. (2018, January 26) Systemic Violations of the Sovereignty of Ukraine by Ships Under the Flag of Tanzania. Part 2: Gas Circuits. PSB-News. Retrieved from: <https://psb-news.org/systemnye-narusheniya-suverenyeta-ukrainy-sudamy-pod-flagom-tanzany-ch-2-gazovaya-shema/>

43 Draft is defined as the "vertical distance between a ship's waterline and lowest point of its keel or the depth of water to which a ship sinks according to the load." Retrieved from: <http://www.businessdictionary.com/definition/draft.html>

44 AIS data from leading maritime domain awareness technology platform

45 AIS data from leading maritime domain awareness technology platform

46 Draft. BusinessDictionary. Retrieved from: <http://www.businessdictionary.com/definition/draft.html>

47 Consultation with technical experts indicates that the average time for an LNG tanker to offload its cargo ranges from approximately 14 to 20 hours. Calculations of the minimum time required for vessels to visit Syria and offload their fuel cargo takes this timeframe into account.

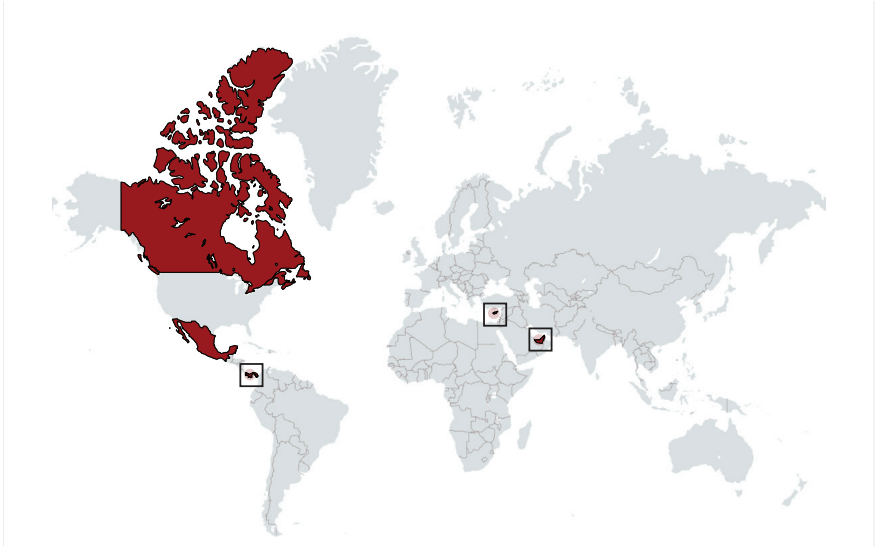
48 MV Maria. IMO 8016835. AIS data from leading maritime domain awareness technology platform.

49 Sharmah, Yemen landing site on Zoom Earth. Retrieved from: <https://zoom.earth/#20.927816,62.380371,7z,sat,pm,2018-03-21>

50 Bayoumy, Y., Browning, N., & Ghobari, M. (2016, April 8) How Saudi Arabia's War in Yemen has Made al Qaeda Stronger – and Richer. Reuters. Retrieved From: <https://www.reuters.com/investigates/special-report/yemen-aqap/>

51 Horton, M. (2017, June 16) Yemen: A Dangerous Regional Arms Bazaar. Retrieved from: <https://jamestown.org/program/yemen-dangerous-regional-arms-bazaar/>

# Hassein Eduardo Figueroa Gomez



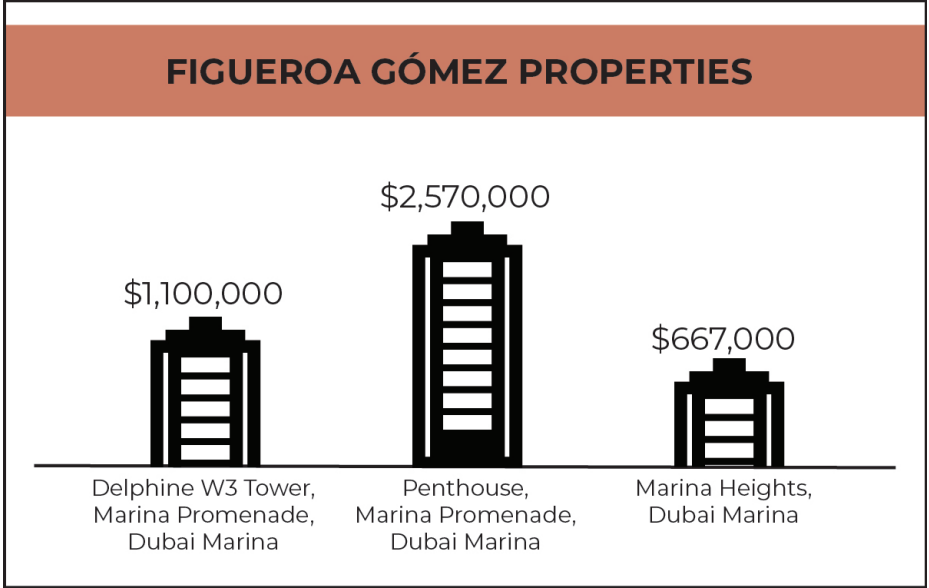
**Hassein Eduardo Figueroa Gomez** was sanctioned by the US Department of the Treasury in April 2012 pursuant to the Foreign Narcotics Kingpin Designation Act, along with his father **Ezio Benjamin Figueroa Vasquez** and 16 of their associated companies in Mexico and Panama. According to information in their designation, both men oversaw the trafficking of multi-ton quantities of precursor chemicals from Europe and Africa into Mexico for use by major drug trafficking organizations that manufactured methamphetamine for eventual export to the United States.<sup>1</sup> In 2011, Figueroa Gomez and his father were indicted in the US for conspiracy to commit money laundering.<sup>2</sup> Pursuant to these charges, Ezio was arrested by Mexican authorities and is currently in a US prison.<sup>3 4</sup>

Though his father remains incarcerated, Figueroa Gomez may have exploited Dubai as a base for continuing his commercial activities. The property data revealed approximately \$4.34 million in luxury property investments in Dubai. Figueroa Gomez also has seven previously unidentified companies in the UAE and Cyprus, with all of the Cypriot companies registered using his Dubai address. All of these companies remained active for years after his designation. Six of the seven companies have been co-owned and managed by two principal commercial partners—**Rodrigo Romero Mena** and **Ochoa Juraez Leopoldo** (now deceased). Leopoldo seems to have maintained ties to Mexican cartels and sanctioned companies.

\$4.3 MILLION	3 PROPERTIES
---------------	--------------



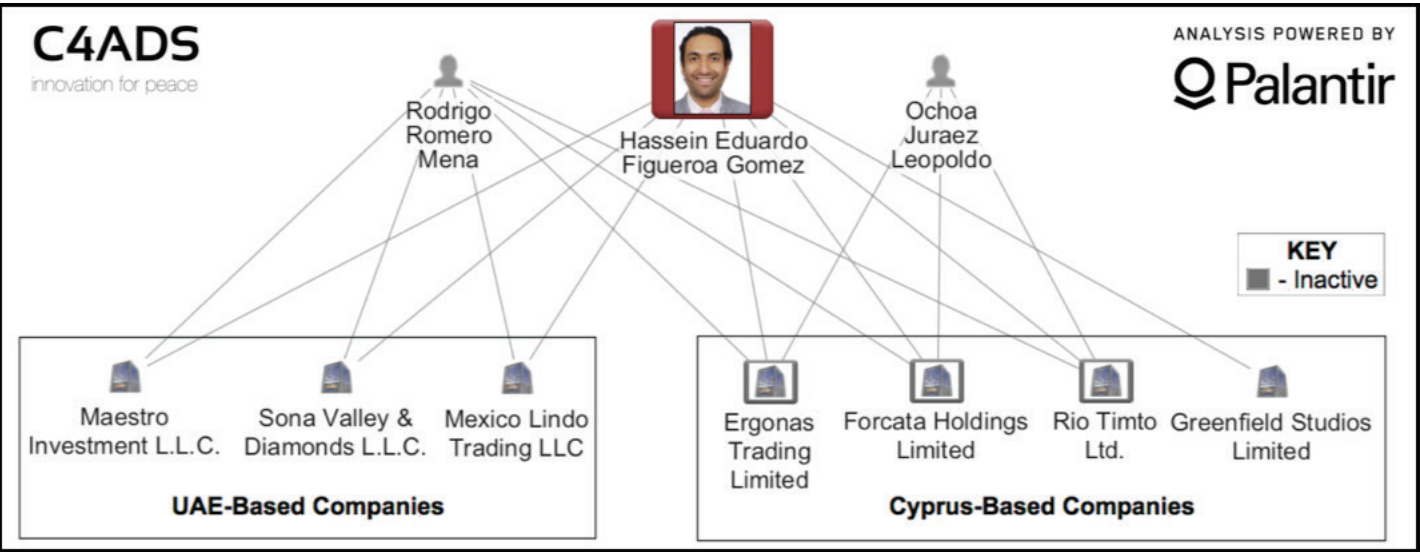
USE OF REAL ESTATE



Figueroa Gomez is affiliated with three luxury properties in Dubai with an estimated total value of \$4.34 million.<sup>5 6 7</sup> The properties attributed to Figueroa Gomez were confirmed through a combination of information—including phone numbers, emails, and physical addresses—used in the original US sanctions designation, UAE real estate data, and corporate records for his unsanctioned companies.

Figueroa Gomez listed the property in Marina Heights as his address for several Cypriot companies for which he served as a director and shareholder.<sup>8 9 10 11</sup> This address also ties to the shipment of a luxury vehicle from the UAE to the US in 2016.<sup>12</sup> It is unclear if Figueroa Gomez held this property at the same time.

In addition to his property holdings, Figueroa Gomez is also a director and shareholder of three companies in the UAE. These companies deal in trade, investment, and the sale of crystal and glass products. The credit report for **Maestro Investment LLC** indicates that the Dubai-based company was involved in real estate and also had a project in Guadalajara, Mexico in 2011.<sup>13</sup> All three companies were founded prior to Figueroa Gomez's 2012 designation, but continued operations through at least 2014, 2016, and 2016 respectively based on the most recent corporate filings.<sup>14 15 16</sup> Credit reports for these companies do not show current activity as of May 2018.<sup>17 18 19</sup> However, there is no further information available in the open source on the operations or status of these companies.



According to the Cypriot corporate registry, Figueroa Gomez has also owned and operated four companies in Cyprus, one of which is still active but which may be dissolved pending continued inactivity. These companies all shared the same address, that of their local agent.<sup>20</sup> This is a common pattern, particularly in non-transparent jurisdictions like

Cyprus, where companies use the contact information of a local corporate services provider to avoid providing identifying information.<sup>21</sup> Figueroa Gomez's companies operated in general trading, investment, construction, and real estate.<sup>22 23 24</sup> Similar to the pattern observed in the UAE, these companies were incorporated prior to Figueroa Gomez's designation in 2012 but continued operating for a number of years afterwards. All but one of the companies were rendered inactive in 2015.<sup>26 27 28 29</sup> The one listed as active as of May 2018, **Greenfield Studios Limited**, is the only company 100% owned by Figueroa Gomez, although it was given a three month notice of dissolution pending further inactivity in October 2017, a full five and a half years after Figueroa Gomez's designation.<sup>30 31</sup> However, the company appeared to be listed in the corporate registry with the same status as of May 2018.<sup>32</sup>

UNSANCTIONED CORPORATE PARTNERS

Along with Figueroa Gomez, there are two additional co-directors and shareholders of interest across the seven unsanctioned companies. The first is a Mexican national, **Rodrigo Romero Mena**, who is the only other co-director and shareholder associated with the three UAE companies affiliated with Figueroa Gomez.<sup>33 34 35 36</sup> Though there is little personal information on Mena, he is listed in the examined property data as being associated with a penthouse property in Dubai, in the luxury **Pentominium Tower** that has yet to be completed as of 2018.<sup>37 38</sup> Mena also served as a co-director on three of the four Cypriot companies affiliated with Figueroa Gomez before they became inactive.<sup>39 40 41</sup>

MEXICO LINDO TRADING LLC [CRiS No AEC1234321]

Capital		
Authorised	AED	300,000
Paid Up	AED	300,000

SHAREHOLDERS

		%
Name	Mr. Tharwat Hasan [CRiS No AEP1670637]	51.00 %
Nationality	UAE National	
Name	Mr. Rodriguo Romero Mina [CRiS No MXP1426329]	10.00 %
Nationality	Mexican	
Languages	English	
Name	Mr. Hussain Edwardo Fegrero Gomez [CRiS No MXP1426331]	39.00 %
Nationality	Mexican	

Excerpts from corporate registration documents for one of Figueroa Gomez's three companies in the UAE, showing his overlapping ownership with Rodriguo Romero Mina. Source: Cedar Rose

Separately, Mena is a director for one additional active company, registered in Canada in 2016, for which there is no further information on the nature of its activities.<sup>42</sup> He appeared on Canadian corporate records as a director for this company alongside three other individuals, one of whom is a Mexican national, and who shares an address with Mena in Jalisco, Mexico, suggesting a previously undiscovered potential nexus back to Mexico. Based on his ownership and co-directorship of companies in the UAE and Cyprus, it appears that Mena is a longtime associate of Figueroa Gomez, working alongside him both before and after his designation as a narcotics kingpin.

The other co-director and shareholder was a Mexican national named **Ochoa Juraez Leopoldo**. Leopoldo served on the same three Cypriot companies as Mena, all of which continued operations after Figueroa Gomez's designation but are now inactive.<sup>43 44 45</sup> On these companies' official registry filings, Leopoldo listed the same address used by five of the 15 Mexican companies sanctioned alongside Figueroa Gomez.<sup>46</sup> Local Mexican media sources suggest that Leopoldo may have been a Mexican drug trafficker involved in the cartel's Middle East business relations before he was killed in drug-related violence in December 2012.<sup>47 48</sup>

ORGANISATION DETAILS	
ORGANISATION NAME:	ERGONAS TRADING LIMITED
REGISTRATION NUMBER:	192250
TYPE:	Limited Company
SUBTYPE:	Private
NAME STATUS:	Current Name
REGISTRATION DATE:	14/02/2007
ORGANISATION STATUS:	Dissolved
STATUS DATE:	08/04/2015
OBJECTS:	Γενικό εμπόριο και άλλα
ADDRESS	
REGISTERED OFFICE ADDRESS:	Τεμπιών, 30, Έγκλημα 2408, Λευκωσία, Κύπρος
DIRECTORS & SECRETARIES	
DIRECTORS	
NAME :	EDUARDO FIGUEROA
ADDRESS:	Marina Heights , Flat 5102 Dubai, Ηνωμένα Αραβικά Εμιράτα
COUNTRY OF CITIZENSHIP / REG. NUMBER :	Μεξικό
NAME :	OCHOA JURAEZ LEOPOLDO
ADDRESS:	Ciz De Los Fresnos, 70-A Ciudad Granja Zapopan, JA, C.P. 45010-CR-45011, Μεξικό
COUNTRY OF CITIZENSHIP / REG. NUMBER :	Μεξικό
NAME :	RODRIGO ROMERO MENA
ADDRESS:	Fraccionamiento Jardines De Providencia Guadalajara JAR 44630, Μεξικό
COUNTRY OF CITIZENSHIP / REG. NUMBER :	Μεξικό

An excerpt from the corporate filing for Ergonas Trading Limited shows that Figueroa Gomez serves alongside Leopoldo and Mena. Source: Cyprus Business Registry

CONCLUSION

Narcotics kingpin Hassein Eduardo Figueroa Gomez appears to have operated multiple commercial trading companies in Dubai and has invested approximately \$4.34 million in property holdings. All of his companies – three in the UAE and four in Cyprus – remained actively listed in the respective corporate registries following his designation. At least one of these companies is still listed as active as of May 2018. Two unsanctioned individuals, Mena and Leopoldo, have co-owned or co-directed all of the companies alongside Gomez. In Leopoldo’s case, he listed an address matching multiple sanctioned companies. Finally, through these entities, there appear to be ties to companies in Canada and additional addresses in Mexico.

ENDNOTES

- 1 (2012, April 12) Treasury Designated Major Mexican Chemical Traffickers. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg1531.aspx>
- 2 Case No. 1:11-cr-00529, Eastern District Court of Virginia - accessed through PACER.
- 3 (2012, April 12) Treasury Designated Major Mexican Chemical Traffickers. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg1531.aspx>
- 4 (2016, April 05) Indagan a 7 ejecutivos belgas por ligas con cártel mexicano. El Dario MX. Retrieved from: [http://diario.mx/Internacional/2016-04-05\\_8ebd32d6/indagan-a-7-ejecutivos-belgas-por-ligas-con-cartel-mexicano/](http://diario.mx/Internacional/2016-04-05_8ebd32d6/indagan-a-7-ejecutivos-belgas-por-ligas-con-cartel-mexicano/)
- 5 UAE Property and Residency Dataset
- 6 (2012, April 12) Kingpin Act Designations. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20120412.aspx>
- 7 Ergonas Trading Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 8 Ergonas Trading Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 9 Forcata Holdings Limited Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request
- 10 Rio Timto Ltd. Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 11 Greenfield Studios Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 12 Panjiva trade data. Document held by author, available upon request.
- 13 Maestro Investment LLC Credit Report. International Company Profile, document held by author available upon request.
- 14 Mexico Lindo Trading LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.
- 15 Maestro Investment LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.
- 16 Sona Valley & Diamonds LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.
- 17 Mexico Lindo Trading LLC Credit Report. International Company Profile, document held by author available upon request.
- 18 Maestro Investment LLC Credit Report. International Company Profile, document held by author available upon request.
- 19 Sona Valley & Diamonds LLC Credit Report. International Company Profile, document held by author available upon request.
- 20 M.M.C.S Secretary Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 21 (2014, March 17) Anonymous Companies – Frequently Asked Questions. Global Witness. Retrieved from: <https://www.globalwitness.org/en/archive/anonymous-companies-frequently-asked-questions/>
- 22 Ergonas Trading Limited Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 23 Forcata Holdings Limited Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 24 Rio Timto Ltd. Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 25 Greenfield Studios Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 26 Ergonas Trading Limited Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 27 Forcata Holdings Limited Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 28 Rio Timto Ltd. Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 29 Greenfield Studios Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 30 Greenfield Studios Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 31 (2012, April 12) Treasury Designated Major Mexican Chemical Traffickers. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg1531.aspx>
- 32 Greenfield Studios Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 33 Mexico Lindo Trading LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.
- 34 Maestro Investment LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.
- 35 Sona Valley & Diamonds LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.
- 36 This excludes the 51% shareholder (person or company) of Emirati nationality, previously mandatory under Emirati law. Retrieved from: <http://www.internationallawoffice.com/Newsletters/Company-Commercial/United-Arab-Emirates/Taylor-Wessing-Middle-East-LLP/Restrictions-on-Foreign-Ownership-of-UAE-Companies-Reviewed>
- 37 UAE Property and Residency Dataset.
- 38 In part as a result of the property market crash of 2008 in Dubai, there are a number of buildings that sold units to individuals but stopped construction due to a lack of funding. Additionally, many real estate developers will pre-sell units to raise funds for construction of buildings and communities. This has created a subset of property owners in Dubai who legally own property that is either incomplete or non-existent.
- 39 Ergonas Trading Limited Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 40 Forcata Holdings Limited Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 41 Rio Timto Ltd. Corporate Filing. Department of Registrar of Companies and Official Receiver, Republic of Cyprus. Document held by author available upon request.
- 42 Unique Global Energy Inc. Corporate Filing. Federal Corporation Information, Government of Canada. Document held by author available upon request.
- 43 Ergonas Trading Limited. Cyprus Business Registry Filing, document held by author available upon request.
- 44 Forcato Holdings Limited Corporate Filing. Cyprus Business Registry Filing, document held by author available upon request.
- 45 Rio Timto Ltd. Corporate Filing. Cyprus Business Registry Filing, document held by author available upon request.
- 46 (2012, April 12) Kingpin Act Designations. Retrieved from: <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20120412.aspx>
- 47 Ejecutan a tres personas en Culiacán, Sinaloa. Blog Narco. Retrieved from: <http://www.blogdelnarco.com/2012/12/ejecutan-tres-personas-en-culiacan.html>
- 48 Gerardo Ortiz Y Los Narcos A Los Cuales Canta En Su Disco. Debate. Retrieved from: <https://www.debate.com.mx/show/Gerardo-Ortiz-y-los-narcos-a-los-cuales-canta-en-su-disco-20170707-0080.html>



# Kambiz Mahmoud Rostamian



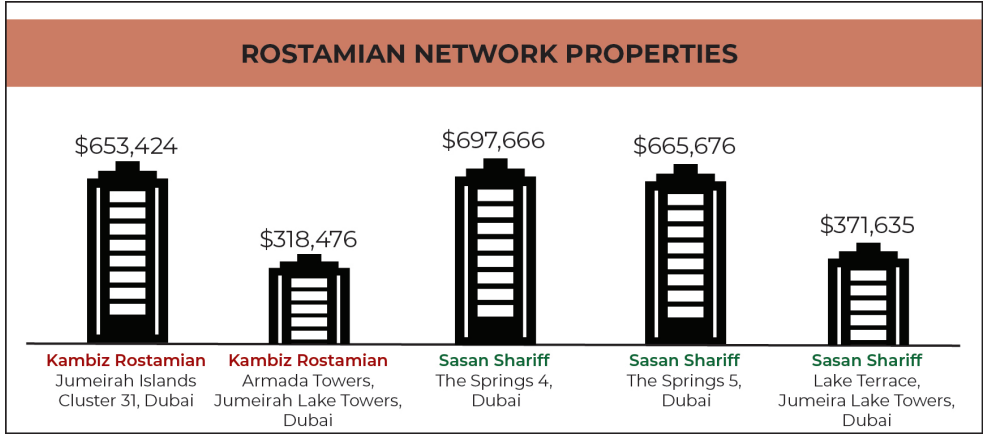
**Kambiz Mahmoud Rostamian** was sanctioned by the US Department of the Treasury in February 2017 for procuring controlled materials and other illicit technology on behalf of the Iranian government in support of its ballistic missile program. As detailed in his designation, Rostamian used the Iran-based **MKS International** and the Dubai-based **Royal Pearl General Trading** to procure dual-use components while obfuscating the ultimate end-user of these materials.<sup>1</sup>

Rostamian has been associated with two properties in Dubai worth just under \$1 million.<sup>2</sup> He has also maintained a company in the UK (on which he lists his Dubai address associated with the properties) and another in Poland, both of which appear to be active as of May 2018.<sup>3 4</sup> The email Rostamian used in the property records identified another Royal Pearl employee, **Sasan Bagher Sharifi**, who may have served as the sanctioned company’s president and who at some point also worked for a chemical materials manufacturer in Iran.<sup>5 6 7 8</sup> Sharifi appears to also be affiliated with three additional properties in Dubai, each associated with the same email.<sup>9</sup> An expanded view of Rostamian and MKS International’s corporate relationships in Austria and South Korea also reveals companies that sell potential dual-use materials.<sup>10 11</sup>

\$2.7 MILLION

5 PROPERTIES

USE OF REAL ESTATE



The US Department of the Treasury’s 2017 designation of Rostamian identified a Dubai address in Jumeirah Islands.<sup>12 13</sup> An extensive search of Rostamian’s identifiers, including phone numbers and email addresses associated with him in the property data, corroborated his connection to this property and identified connections to an additional property in the Armada Towers.<sup>14</sup> The properties represent a total estimated value of \$971,900.<sup>15</sup>

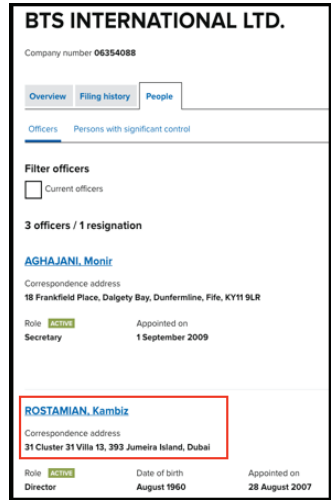
The email address that Rostamian used was a Royal Pearl General Trading also associated with **Sasan Bagher Sharifi**. Sharifi himself is associated with three additional properties, also linked with this email and listed below.<sup>16</sup>

In addition to his Royal Pearl email, Sharifi appears to be the registered owner of multiple Royal Pearl phone numbers.<sup>17 18 19</sup> He possibly also served as the sanctioned company’s president.<sup>20 21</sup> A second email used by Sharifi on his properties suggests he may also be affiliated with **Palad Chemical Trading Company Arak** (a.k.a. **Palad Chemical Arak Company**),<sup>22</sup> a chemical and fertilizer manufacturer based in Tehran, Iran.<sup>23 24</sup>

ROSTAMIAN’S INTERNATIONAL CORPORATE NETWORK

Rostamian’s Dubai address has also appeared in his filings as sole director of the UK company **BTS International Ltd**, a position he held as of May 2018.<sup>25</sup> The only other BTS International employee is an Iranian national who shares a family name with both a manager and the CEO of Rostamian’s other sanctioned company, MKS International.<sup>26 27 28</sup> BTS International’s description of its services appears ambiguous and includes “professional, scientific and technical activities not elsewhere classified.”<sup>29</sup>

Rostamian’s corporate activities touch on a number of additional jurisdictions. In Poland, Rostamian was listed as the sole member, shareholder, and Chairman of the Board for **Venergy Corporation LLC**, an active company as of May 2018.<sup>30</sup> Rostamian and his sanctioned company, MKS International, also appear to be listed as the regional partners for two companies—one in Austria and the other in South Korea—on both companies’ current websites as of May 2018.<sup>31 32</sup> Both companies sell materials with a potential dual-use capacity: the Austrian company, a defense contractor, produces explosion suppression materials, while the South Korean company specializes in scanning electron microscopes (SEMs) and scanning camera systems.<sup>33 34</sup> These products may meet nonproliferation export control requirements due to their possible utility in ballistic missile production, according to consultation with non-proliferation experts.<sup>35 36 37</sup>



UK corporate records show that Rostamian serves as a director of BTS International Ltd.

CONCLUSION

In addition to Rostamian’s identified use of UAE front companies to procure materials for the Iranian government’s ballistic missile program, he has been associated with almost \$1 million in Dubai property within the last several years. The information listed on these properties is also related to Rostamian’s unsanctioned corporate associate, who is himself affiliated with the sanctioned Royal Pearl General Trading, as well as an unsanctioned chemical-materials manufacturer in Iran. Rostamian also appeared to be a director and shareholder on two unsanctioned companies in the UK and Poland, one of which uses his Dubai address, as of May 2018. Further, Rostamian and the sanctioned MKS International have seemingly acted as a regional corporate representative for companies that produce materials with potential dual-use applications in ballistic missile development and production. Thus, despite sanctions restrictions, Rostamian appears to maintain both access and venue through which he could potentially acquire and relay dual-use components for the benefit of the Iranian government.

ENDNOTES

1 (2017, February 3) Treasury Sanctions Supporters of Iran’s Ballistic Missile Program and Iran’s Islamic Revolutionary Guard Corps – Qods Force. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/as0004.aspx>

2 UAE Property and Residency Dataset.

3 BTS International Ltd. UK Companies House. Retrieved from: <https://beta.companieshouse.gov.uk/company/06354088>

4 Venergy Corporation LLC. Ministry of Justice. Warsaw, Poland. National Court and Commercial Monitor, document held by author available upon request.

5 UAE Property and Residency Dataset.

6 About. Royal Pearl Chemical. Accessed via the Wayback Machine. Retrieved from: <https://web.archive.org/web/20090604102317/http://www.royalpearlchem.com:80/about.php>

7 Sasan Sharifi. ResearchGate Profile. Retrieved from: [https://www.researchgate.net/profile/Sasan\\_Sharifi](https://www.researchgate.net/profile/Sasan_Sharifi)

8 Palad Chemical Trading Company. Accessed via the Wayback Machine. Retrieved from: <https://web.archive.org/web/20130623141945/http://paladchem.com/>

9 UAE Property and Residency Dataset.

10 FUXS Partners will assist you in the following countries.. FUXS Explosionsschutz. Retrieved from: [http://www.fuxs-company.com/inhalt\\_-\\_strong\\_FUXS\\_Partners\\_will\\_assist\\_you\\_in\\_following\\_countries\\_\\_\\_\\_strong\\_-5037-0.html](http://www.fuxs-company.com/inhalt_-_strong_FUXS_Partners_will_assist_you_in_following_countries____strong_-5037-0.html)

11 EAST. Sales Contact. Coxem. Retrieved from: [http://www.coxem.com/ds5\\_2\\_1.html](http://www.coxem.com/ds5_2_1.html)

12 (2017, February 3) Iran-related Designations; Non-proliferation Designations; Counter Terrorism Designations; Balkans Designation Update. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20170203.aspx>

13 The price listed for this unit in the data was AED 2,400,000 (U.S. \$653,448). However, commercial listings for other villas in the same community and of comparable size show that the average price is AED 7,000,000 (U.S. \$1,905,715). Further, the lowest price for one of these villas is currently AED 5,800,000 (U.S. \$1,579,021). Retrieved from: <https://www.propertyfinder.ae/en/search?c=1&l=951&ob=pa&page=1>

14 UAE Property and Residency Dataset.

15 UAE Property and Residency Dataset.

16 UAE Property and Residency Dataset.

17 Royal Pearls General Trading LLC. Dubai Commercial Directory, Dubai Chamber. Retrieved from: [http://www.dccinfo.com/dirinfo/company/all/176849-royal-pearls-general-trading-llc?branch\\_id=210445](http://www.dccinfo.com/dirinfo/company/all/176849-royal-pearls-general-trading-llc?branch_id=210445)

18 97143391832. S Sharifi. TrueCaller. Retrieved from: <https://www.truecaller.com/search/ae/43391832>

19 97143391833. S Sharifi. TrueCaller. Retrieved from: <https://www.truecaller.com/search/ae/43391833>

20 About. Royal Pearl Chemical. Accessed via the Wayback Machine. Retrieved from: <https://web.archive.org/web/20090604102317/http://www.royalpearlchem.com:80/about.php>

21 Sasan Sharifi. ResearchGate Profile. Retrieved from: [https://www.researchgate.net/profile/Sasan\\_Sharifi](https://www.researchgate.net/profile/Sasan_Sharifi)

22 Palad Chemical Arak Co. IranOilGas Network. Retrieved from: <http://www.iranoilgas.com/companies/details?id=4295&title=Palad+Chemical+Arak+Co.&type=local>

23 UAE Property and Residency Dataset.

24 Palad Chemical Trading Company. Accessed via the Wayback Machine. Retrieved from: <https://web.archive.org/web/20130623141945/http://paladchem.com/>

25 BTS International Ltd. UK Companies House. Retrieved from: <https://beta.companieshouse.gov.uk/company/06354088>

26 Monir Aghajani. [Facebook Post]. Retrieved from: [https://www.facebook.com/monir.aghajani?ref=br\\_rs](https://www.facebook.com/monir.aghajani?ref=br_rs)

27 (2017, February 7) MKS International Co. Ltd. Iran Watch. Retrieved from: <http://www iranwatch.org/iranian-entities/mks-international-co-ltd>

28 (2014, January 8) M.K.S International Group of Companies. Accessed via the Wayback Machine. Retrieved from: <https://web.archive.org/web/20170423174543/http://mksinter.co/>

29 BTS International Ltd. UK Companies House. Retrieved from: <https://beta.companieshouse.gov.uk/company/06354088>

30 Venergy Corporation LLC. Ministry of Justice. Warsaw, Poland. National Court and Commercial Monitor, document held by author available upon request.

31 FUXS Partners will assist you in the following countries.. FUXS Explosionsschutz. Retrieved from: [http://www.fuxs-company.com/inhalt\\_-\\_strong\\_FUXS\\_Partners\\_will\\_assist\\_you\\_in\\_following\\_countries\\_\\_\\_\\_strong\\_-5037-0.html](http://www.fuxs-company.com/inhalt_-_strong_FUXS_Partners_will_assist_you_in_following_countries____strong_-5037-0.html)

32 EAST. Sales Contact. Coxem. Retrieved from: [http://www.coxem.com/ds5\\_2\\_1.html](http://www.coxem.com/ds5_2_1.html)

33 Company Profile. Fuxs Explosions Schutz. Retrieved from: [http://www.fuxs-company.com/inhalt\\_-\\_strong\\_At\\_the\\_beginning\\_was\\_the\\_vision\\_\\_\\_\\_strong\\_-1014-0.html](http://www.fuxs-company.com/inhalt_-_strong_At_the_beginning_was_the_vision____strong_-1014-0.html)

34 Company History. COXEM. Retrieved from: [http://www.coxem.com/ds4\\_1\\_3.html](http://www.coxem.com/ds4_1_3.html)

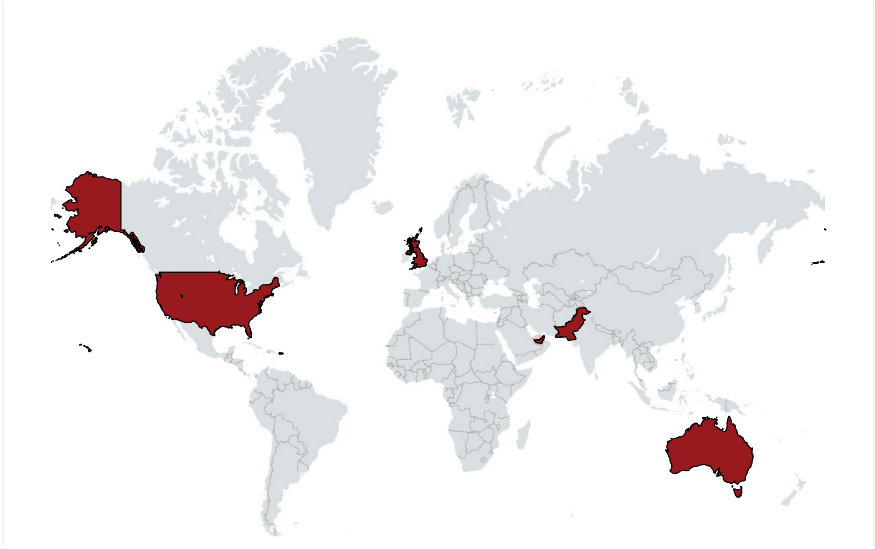
35 FUXS Partners will assist you in the following countries.. FUXS Explosionsschutz. Retrieved from: [http://www.fuxs-company.com/inhalt\\_-\\_strong\\_FUXS\\_Partners\\_will\\_assist\\_you\\_in\\_following\\_countries\\_\\_\\_\\_strong\\_-5037-0.html](http://www.fuxs-company.com/inhalt_-_strong_FUXS_Partners_will_assist_you_in_following_countries____strong_-5037-0.html)

36 EAST. Sales Contact. Coxem. Retrieved from: [http://www.coxem.com/ds5\\_2\\_1.html](http://www.coxem.com/ds5_2_1.html)

37 Section 6A003.b.2.a of the US Commerce Control List covers scanning camera systems having a “peak response wavelength range exceeding 10 nm, but not exceeding 30,000 nm.” Access in the Bureau of Industry and Security, Commerce Control List, Category 6, page 15.



# The Altaf Khanani Money Laundering Organization



In 2015 and 2016, the US Department of the Treasury sanctioned the Altaf Khanani family—which consists of Pakistani national **Altaf Khanani**, his brother **Javed**, his son **Obaid**, his nephew **Hozaifa**, and associate **Atif Polani**—for operating a transnational money laundering organization known as the **Khanani Money Laundering Organization** (the Khanani MLO).<sup>1 2</sup> This organization reportedly laundered upwards of \$16 billion annually for Al Qaeda, the Taliban, Hezbollah, Mexican and Colombian drug cartels, and Chinese organized crime groups, to name just a few of its clients.<sup>3</sup> The Khanani MLO allegedly used an unofficial hawala-style network to move billions of dollars in illicit proceeds through a network of money exchanges that operated parallel to the family’s now-inactive money-exchange business, **Khanani & Kalia International (KKI)**, based in Pakistan.<sup>4 5 6</sup>

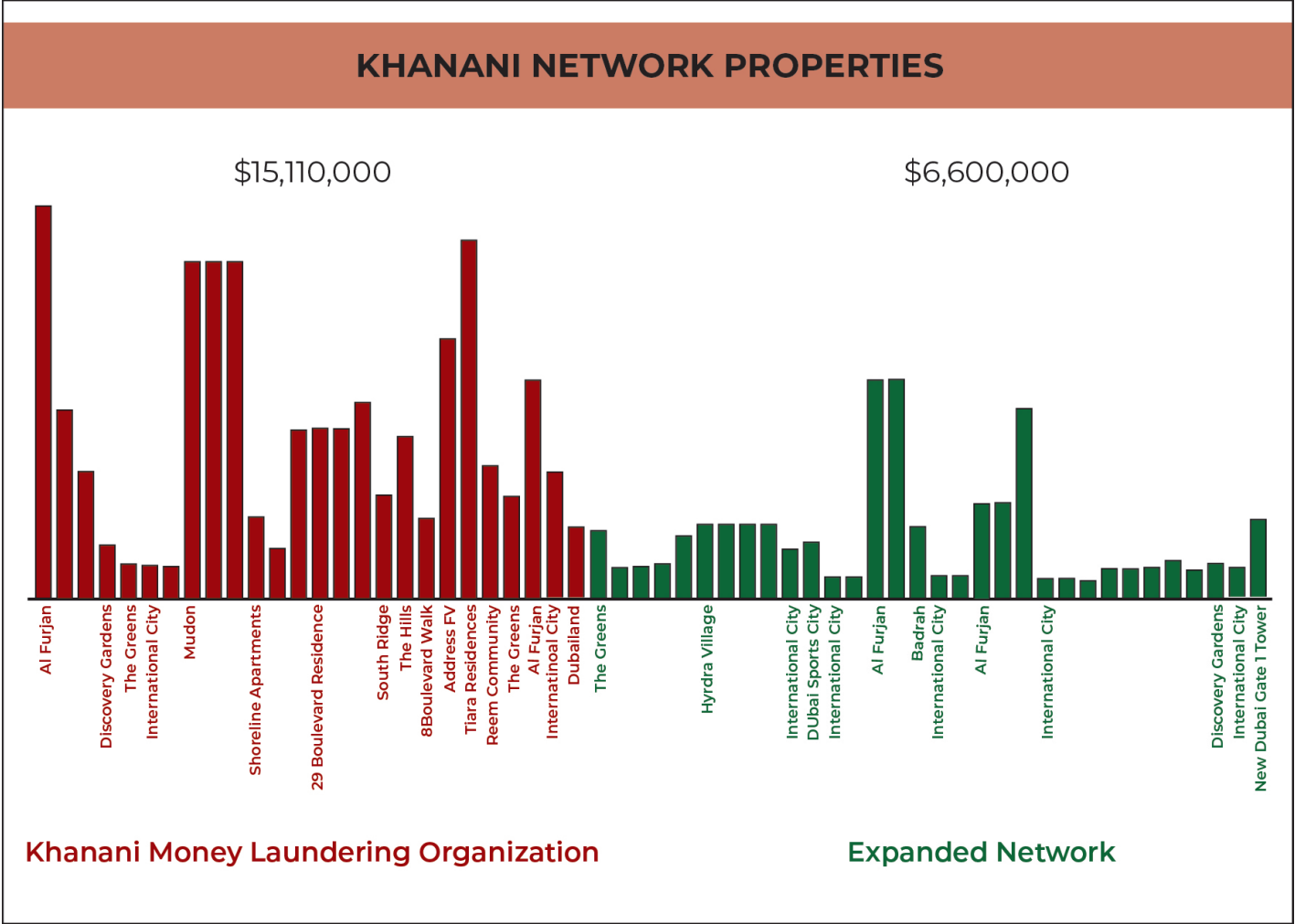
KKI, alongside Altaf and Javed Khanani, was indicted by the Pakistani Federal Investigation Agency (FIA) and had its license revoked in 2008 for its role in the Khanani MLO and for defrauding the Pakistani government of massive foreign reserves, a scheme later credited with causing a national economic downturn around 2008.<sup>7 8</sup> Additionally, between 2015 and 2016 the US Department of the Treasury levied sanctions against the five core Khanani MLO figures; their Dubai-based center of operations, **Al Zarooni Exchange**; and nine companies based in the UAE and Pakistan that facilitated the organization’s money laundering activities.<sup>9 10</sup>

Altaf Khanani was arrested in 2015 and extradited to the US, where he is currently incarcerated.<sup>11</sup> His brother Javed Khanani died in 2015.<sup>12</sup> Most recently, the Australian Federal Police opened an investigation into a UAE-based exchange company, **Wall Street Exchange**, for aiding the Khanani MLO’s activities.<sup>13</sup>

\$22 MILLION

59 PROPERTIES

USE OF REAL ESTATE



Despite ongoing law enforcement proceedings and the incarceration and death of Altaf and Javed Khanani respectively, the sanctioned Obaid and Hozaiifa Khanani, as well as Atif Polani, seem to have continued their commercial operations while leading comfortable lives in Dubai and Karachi. A thorough analysis of the available property data shows that the sanctioned members of the Khanani and Polani families have been associated with 27 properties worth approximately \$15.11 million.

The personal information associated with the first 27 properties is linked to an additional 32 properties worth \$6.66 million, which appear to be held by immediate family members and their close corporate associates.<sup>14</sup> Additionally, the Khanani and Polani families maintain direct ties to 14 unsanctioned companies in Pakistan, the UAE, the US, and the UK, some of which are apparently active money exchanges transferring money to Pakistan as explored further below. Each of these unsanctioned companies has a sanctioned Khanani MLO member as a manager or shareholder, uses the same identifiers as sanctioned companies, or has allegedly dealt directly with sanctioned companies or persons.<sup>15 16 17 18 19 20 21 22 23 24 25 26 27</sup>

AL ZAROONI EXCHANGE

The Dubai-based Al Zarooni Exchange, run by Atif Polani and Obaid Khanani, and sanctioned in November 2015, reportedly acted as the Khanani MLO's center of operations for a number of years prior to its designation by the US and the revocation of its license by the UAE.<sup>28</sup> A commercial listing had four companies listed as corporate partners of Al Zarooni, one of which is a subsidiary of the Emirati government.<sup>29 30</sup> This UAE company, **Instant Cash** (also known as Instant Cash Global Money Transfer), is owned by the **Emirates Post Group**, a branch of the UAE government.<sup>31 32</sup> The Emirates Post Group also owns **Wall Street Exchange**, another money exchange company that was reportedly under investigation by the Australian Federal Police for its involvement in the Khanani MLO, according to a February 2018 article by ABC Australia.<sup>33</sup> There was no further publicly available information on the dates or nature of these relationships. UK corporate records show that Wall Street Exchange owns three similarly-named subsidiaries in the UK that were the subjects of a UK Metropolitan Police investigation in 2015, as self-reported by these companies on their 2017 annual account summaries.<sup>34 35</sup> According to the directors' summary, the companies' assets were seized and subsequently released, although the company's directors were still under investigation by UK authorities as of 2017.<sup>36 37</sup>

Al Zarooni also claimed a relationship with **Placid Express**, a US money exchange based in New York.<sup>38</sup> As detailed below, Placid Express is separately associated with the Khanani MLO through **Prime Currency Exchange Ltd.** Prime Currency is a UK-based remittance company previously owned and operated by Javed Khanani prior to his sanctions designation and during a period wherein he allegedly conducted money laundering activity.<sup>39 40</sup> During Javed's tenure, Prime Currency reported ongoing financial transactions with **Global Village Pakistan**, a Pakistani money exchange owned and operated by Altaf Khanani.<sup>41</sup> Javed was replaced in 2004 by Pakistani national **Naeem Butt**, who joined Prime Currency the same day Javed left and who used the exact same address in London.<sup>42</sup> Butt also served as a KKI director, alongside Javed and Altaf Khanani, from at least 2005 through 2008 (at which point KKI went inactive), the same time period leading up to KKI's indictment in Pakistan and the revocation of its license for illicit financial transfer practices.<sup>43 44 45</sup> This also indicates that Prime Currency's financial relationship with the Khanani family continued uninterrupted from Global Village to KKI.

Shareholders details	Class and number of shares or amount of stock held	Class and number of shares or amount of stock transferred (If appropriate)	Date of registration of transfer (If appropriate)
Name <b>Mr Naeem BUTT</b> Address <b>20 HESSEL STREET LONDON</b> UK Postcode <b>E1 2LP</b>	<b>40,000</b> Ordinary Shares of £1.00	<b>40,000</b> Ordinary Shares of £1.00	<b>09/09/04</b>

A comparison of Javed Khanani's information when he resigned as a director and shareholder of Prime Currency, and Naeem Butt's information when he joined as a director and shareholder of Prime Currency. These two events occurred on the exact same day. Source: UK Companies House

> Director  
If any of the details for this person are wrong, strike them through and fill in the correct details in the "Amended details" column.

Name <b>Mohammad Javed KHANANI</b>	Name
Address <b>20 Hessel Street London E1 2LP</b>	<input type="checkbox"/> Tick this box if this address is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985.
Date of birth <b>02/05/1961</b>	Address
Nationality <b>Pakistani</b>	UK Postcode
Occupation <b>Proposed Director</b>	Date of birth
	Nationality
	Occupation
	Date of change
	Date: Mohammad Javed KHANANI ceased to be director (if applicable) <b>09/09/2004</b>

Particulars of a new Director must be notified on form 288a.

Prime Currency began remitting funds via KKI in 2005, a financial relationship it maintained until it switched to **Placid Express** (the US-based money exchange) in 2009.<sup>46</sup> According to its annual account summary statements, Prime Currency transferred £121 million to Pakistan via Placid Express and other unnamed money changers between 2009 and 2013.<sup>47</sup> Prime Currency stopped reporting the specifics of this relationship in 2013, although on its annual accounts summaries the company did report a continuing relationship through July 2016.<sup>48</sup> Prime Currency appeared to be active as of May 2018, having filed an accounts summary as recently as July 2017.<sup>49</sup> In addition to the company's US operations, Placid Express maintains offices in Canada, Italy, and Malaysia.<sup>50</sup>

Prime Currency Exchange Limited (Registered number: 03841285)

Notes to the Abbreviated Accounts for the Year Ended 30 April 2013

ACCOUNTING POLICIES

Principal activity  
Prime Currency Exchange Limited (PCEL) has an agency agreement with Placid Express to provide money transmission services to Pakistan. The monies are collected by PCEL directly and via sub-agents. The transmission instructions are forwarded to Placid Express for corresponding payments. The funds collected are remitted to Placid Express account. PCEL gets a rebate fee via Placid Express from banking institutions in Pakistan for sending foreign exchange via those financial institutions. The income is further enhanced by active management of foreign exchange risk.

Total value of funds transferred during the year under review by PCEL via Placid Express and other Pakistani based distributors amounted to £9,849,177 (2012: £16,913,949).

An excerpt from Prime Currency's 2013 annual accounts summary, where the company details its relationship with US-based money exchange Placid Express. Source: UK Companies House

On its website, Placid Express also claims to provide money-transfer services through a partner in the UAE.<sup>51</sup> The UAE-based money exchange **Placid Express Middle East LLC** is likely this UAE-based partner, given its compellingly similar name and its additional ties to the Khanani MLO and the UK-based Prime Currency Exchange, as discussed below. Placid Express Middle East shares multiple phone numbers with **Kay Zone General Trading LLC**, a US-sanctioned company directly owned by multiple Khanani family members.<sup>52</sup> The UAE-based Placid Express Middle East is likely further tied to a shareholder of the aforementioned UK company Prime Currency Exchange, whose registered postal address in the UAE property data matches the listed address of Placid Express Middle East.<sup>53 54 55</sup> These overlapping



connections indicate possible commercial relationships between the UK, US, and UAE money exchangers. Social media analysis shows that former employees claim to have worked at Placid Express Middle East through at least February 2017, 15 months after the first designation and four months after the final sanctions against the Khanani MLO in October 2016.<sup>56</sup>

SanctionsExplorer

OFAC SANCTIONS   OFAC PRESS RELEASES   ABOUT   FEEDBACK

SEARCH

Khanani

Search the entire SDN database for your query.

ADDITIONAL FILTERS

All types

Name or Alias

All programs

561List

BALKANS

BELARUS

RUSSIAN

PROGRAMS

(Hover to see description. To select multiple, Ctrl+click or Cmd+click.)

Select field

SEARCH

RESULTS (45)   Khanani

ALTAF KHANANI MONEY LAUNDERING ORGANIZATION   (Entity)   TCO

LOCATION

- Australia
- Canada
- Pakistan
- United Arab Emirates
- United Kingdom
- United States

SANCTION EVENTS

- 2015-11-12: Executive Order 13581 (TCO)

LINKED TO

- Mazaka General Trading L.L.C.
- Jetlink Textiles Trading
- Seven Sea Golden General Trading LLC
- Aydah Trading LLC
- Wadi Al Afrah Trading LLC
- KHANANI, Obaid Altaf
- KHANANI, Hozaiifa Javed
- KHANANI, Muhammad Javed

POSSIBLE PRESS RELEASES

- 10/11/2016: Transnational Criminal Organizations Designations
- 11/12/2015: Issuance of Executive Order Terminating Liberia Sanctions Program: Counter Narcotics Updates: Liberia Designation Removals and Updates: Transnational Crime Designations
- 11/12/2015: Issuance of Executive Order Terminating Liberia Sanctions Program: Counter Narcotics Updates: Liberia Designation Removals and Updates: Transnational Crime Designations

ORIGINAL

View on OFAC website

The range of Treasury designations targeting the Khanani MLO, spanning December 2015 through November 2016. Source: SanctionsExplorer

CONCLUSION

The Khanani MLO has laundered billions of dollars annually for criminals, terrorists, and narco-traffickers while seemingly accruing immense real estate holdings in the UAE. The volume and value of the properties associated with sanctioned members of the Khanani MLO—59 properties worth approximately \$21.8 million—suggests the potential use of this real estate as a vehicle for money laundering.

The identified properties and the associated contact information help connect the Khanani MLO to 14 unsanctioned companies in the UAE, Pakistan, the US, and the UK, some of which appear operational as of May 2018. Furthermore, money exchanges in the US and UK with direct relationships to sanctioned Khanani MLO figures and their companies have moved well over \$100 million to Pakistan and still appear to be active.<sup>57 58</sup> The corporate relationships between the Khananis and Polanis, as well as their real estate holdings, suggest that the network maintains at least some of the infrastructure required to conduct illicit finance.

ENDNOTES

1 The Khanani family members' full names are as follows: Altaf Khanani, his brother Muhammad Javed Khanani (Javed Khanani), his son Obaid Altaf Khanani, his nephew Hozaiifa Javed Khanani, and his associate Atif Polani.

2 (2015, November 12) Treasury Sanctions The Khanani Money Laundering Organization. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0265.aspx>

3 (2015, November 12) Treasury Sanctions The Khanani Money Laundering Organization. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0265.aspx>

4 Husain, K. (2017, April 4) Khanani gets 68 months in US prison. Dawn. Retrieved from: <https://www.dawn.com/news/1324717>

5 For reference, hawala-style transfers refer to the system of hawala, whereby one transfers money without actually moving any money, but rather by adjusting books between two "hawaladars." For further reading, reference: <https://www.treasury.gov/resource-center/terrorist-illicit-finance/Documents/FinCEN-Hawala-rpt.pdf>

6 (2009) Criminal Bail Application No. 571 of 2009. High Court of Sindh, Karachi. Retrieved from: <http://202.61.43.40:8056/caselaw/view-file/MTcyOTBjZm1zLWRjODM=>

7 (2009) Criminal Bail Application No. 571 of 2009. High Court of Sindh, Karachi. Retrieved from: <http://202.61.43.40:8056/caselaw/view-file/MTcyOTBjZm1zLWRjODM=>

8 (2008, December 06) Judge Suspends Khanani & Kalia's License. GEO Pakistan. Accessed via the Wayback Machine. Retrieved from: <https://web.archive.org/web/20081209044314/http://www.geotv/12-6-2008/30215.htm>

9 (2015, November 12) Treasury Sanctions The Khanani Money Laundering Organization. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0265.aspx>

10 (2016, December 11) Treasury Sanctions Individuals and Entities as Members of the Altaf Khanani Money Laundering Organization. United States Department of Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0574.aspx>

11 Husain K. (2017, April 04) Khanani Gets 68 Months in Prison. Dawn. Retrieved from: <https://www.dawn.com/news/1324717>

12 Ali. I. (2016, December 04. Javad Khanani Dies After Falling From Building in Karachi, Police Say. Dawn. Retrieved from: <https://www.dawn.com/news/1300463>

13 Besser L. (2018 Feburary 5) Money Exchange with Links to Dubai Government Identified as Hub for Billion-Dollar Laundering Empire. Australian Broadcasting Corporation. <http://www.abc.net.au/news/2018-02-06/khanani-network-laundered-money-through-wall-street-exchange/9398148>

14 UAE Property and Residency Dataset.

15 UAE Property and Residency Dataset.

16 Obaid Khanani. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/obaid-khanani-bba098ab/>

17 Hozaiifa Khanani. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/hozaiifa-khanani-8458a579/>

18 Atif Polani. Facebook Profile. Retrieved from: <https://www.facebook.com/Atif.A.Polani>

19 Al Zarooni Exchange-Dubai. Yellow Pages Dubai. Retrieved from: <http://alldubai.ae/yellow-pages/al-zarooni-exchange-dubai/>

20 Cedar Rose corporate records aggregator.

21 Besser, L. (2018, February 5) Money exchange with links to Dubai Government identified as hub for billion-dollar laundering empire. Four Corners, ABC News (Australia). Retrieved from: <http://www.abc.net.au/news/2018-02-06/khanani-network-laundered-money-through-wall-street-exchange/9398148>

22 Officers. Prime Currency Exchange. UK Companies House. Document held by author available upon request.

23 Al Zarooni Exchange-Dubai. Yellow Pages Dubai. Retrieved from: <http://alldubai.ae/yellow-pages/al-zarooni-exchange-dubai/>

24 (2016, June 25) Association of Builders and Developers of Pakistan List of Members of ABAD as on 25 June, 2016. ABAD. Retrieved from: <http://184.171.252.154/~abadcom/pdf/Microsoft-Word-MEMBERS-LIST-25-06-2016.pdf>

25 (2016, September 22) Names of companies appearing in BahamasLeaks. The News. Retrieved from: <https://www.thenews.com.pk/print/151758-Names-of-companies-appearing-in-BahamasLeaks>

26 Atif Polani Trading LLC. Emirate123.com. Retrieved from: <https://emirates123.com/eng/atif-polani-trading-llc-97143533151-425525>

27 Atif Polani. Facebook Profile. Retrieved from: <https://www.facebook.com/Atif.A.Polani>

28 Reuters. (2016, January 11) UAE revokes licence of Al Zarooni Echange on anti-money laundering violations. The National. Retrieved from: <https://www.thenational.ae/business/uae-revokes-licence-of-al-zarooni-exchange-on-anti-money-laundering-violations-1.172557>

29 Al Zarooni Exchange-Dubai. Yellow Pages Dubai. Retrieved from: <http://alldubai.ae/yellow-pages/al-zarooni-exchange-dubai/>

30 Instant Cash. Retrieved from: <https://www.instantcashworldwide.com/about-us/>

31 Instant Cash. Retrieved from: <https://www.instantcashworldwide.com/about-us/>

32 UAE Postal Services Timeline. Emirates Post Group. Retrieved from: [https://www.epg.gov.ae/portal/\\_en/article.xhtml?article=article15](https://www.epg.gov.ae/portal/_en/article.xhtml?article=article15)

33 Besser, L. (2018, February 5) Money exchange with links to Dubai Government identified as hub for billion-dollar laundering empire. Four Corners, ABC News (Australia). Retrieved from: <http://www.abc.net.au/news/2018-02-06/khanani-network-laundered-money-through-wall-street-exchange/9398148>

34 Corporate records for all three companies accessed through the UK Companies House. Retrieved from: <https://beta.companieshouse.gov.uk/>

35 Wall Street Forex London Limited – 2017 Annual Accounts. UK Companies House. Document held by author, available upon request.

36 Wall Street Forex London Limited – 2017 Annual Accounts. UK Companies House. Document held by author, available upon request.

37 Wall Street Forex London Limited – 2017 Annual Accounts. UK Companies House. Document held by author, available upon request.

38 Al Zarooni Exchange-Dubai. Yellow Pages Dubai. Retrieved from: <http://alldubai.ae/yellow-pages/al-zarooni-exchange-dubai/>

39 Officers. Prime Currency Exchange. UK Companies House. Document held by author, available upon request.

40 Besser, L. (2018, February 5) Catching the money man. Four Corners, ABC News (Australia). Retrieved from: <http://www.abc.net.au/news/2018-02-05/the-billion-dollar-bust/9383890>

41 2001 -2004 Summary of Abbreviated Accounts. Prime Currency Exchange Ltd. UK Companies House. Documents held by author, available upon request.

42 2004 Annual Return. Prime Currency Exchange Ltd. UK Companies House. Document held by author, available upon request.

43 2005 - 2008 Summary of Abbreviated Accounts. Prime Currency Exchange Ltd. UK Companies House. Document held by author, available upon request.

44 "Khanani" Company Name Search. Securities and Exchange Commission of Pakistan. Document held by author, available upon request.

45 (2009) Criminal Bail Application No. 571 of 2009. High Court of Sindh, Karachi. Retrieved from: <http://202.61.43.40:8056/caselaw/view-file/MTcyOTBjZm1zLWRjODM=>

46 2005 – 2009 Summary of Abbreviated Accounts. Prime Currency Exchange Ltd. UK Companies House. Documents held by author, available upon request.

47 2009 – 2013 Summary of Abbreviated Accounts. Prime Currency Exchange Ltd. UK Companies House. Documents held by author, available upon request.

48 2016 Summary of Abbreviated Accounts. Prime Currency Exchange Ltd. UK Companies House. Document held by author, available upon request.

49 Filing History. Prime Currency Exchange Ltd. UK Companies House. Document held by author, available upon request.

50 Contact Us. Placid Money Transfer. Retrieved from: <https://www.placid.net/inf-contacts.php>

51 Company Overview. Placid NK Corporations [US]. Retrieved from: <https://www.placid.net/inf-company-overview.php>

52 Placid Express Middle East LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.

53 2017 Micro Company Accounts. Prime Currency Exchange Ltd. UK Companies House. Document held by author, available upon request.

54 2015 Annual Return. Prime Currency Exchange Ltd. UK Companies House. Document held by author, available upon request.

55 UAE Property and Residency Dataset.

56 Arshia Komal. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/arshia-komal-361916107/>

57 Filing History. Prime Currency Exchange Ltd. UK Companies House. Document held by author, available upon request.

58 Company Overview. Placid NK Corporations [US]. Retrieved from: <https://www.placid.net/inf-company-overview.php>

30

SANDCASTLES

SANDCASTLES

31

# Hossein Pournaghshband



The US Department of the Treasury sanctioned **Hossein Pournaghshband** and his UAE-based company, **Mabrooka Trading Co. LLC**, in January 2016 for their procurement of polyacrylonitrile (PAN) fibers for use in a carbon fiber production line on behalf of the Iranian government’s missile program.<sup>1 2</sup> Pournaghshband reportedly obtained these materials from the Hong Kong-based **Anhui Land Group Co LTD**, which is owned by Chinese citizen **Chen Mingfu**.<sup>3</sup> Both Anhui and Chen were sanctioned by US authorities in January 2016, alongside **Candid General Trading LLC**, another UAE-based company that shared an address with Mabrooka Trading and allegedly aided its procurement efforts.<sup>4</sup> Chen was later named in another US sanctions designation, in February 2017, for assisting in the procurement of the same material for another sanctioned Iranian supplier related to the Iranian Revolutionary Guard Corps.<sup>5</sup>

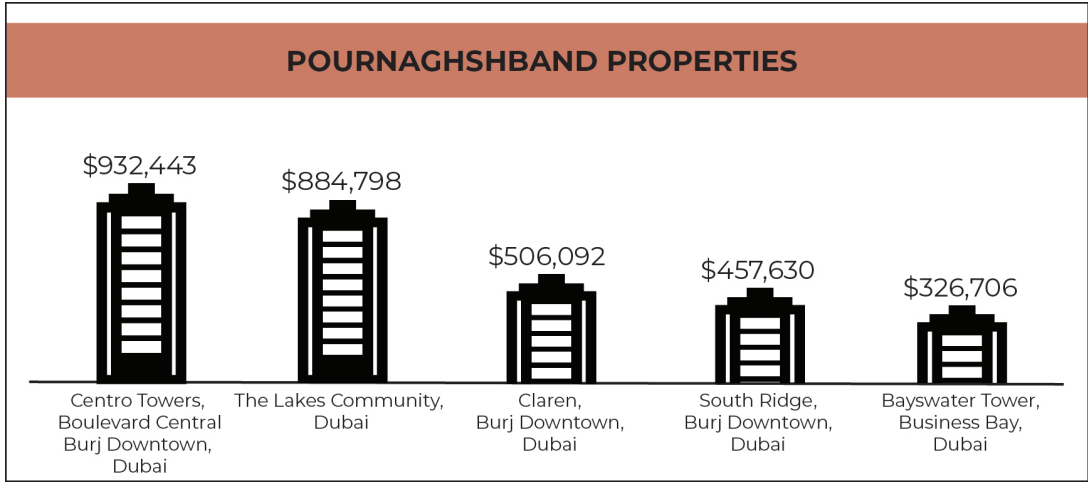
Pournaghshband has been associated with \$3.1 million worth of residential and commercial property investments in Dubai according to the examined property data.<sup>6</sup> The phone numbers associated with these properties link him to another logistics and shipping company using the same identifiers and operating in both the UAE and China.<sup>7</sup> Furthermore, phone numbers shared by Mabrooka Trading and Candid General Trading (and reported on Dubai properties associated with Pournaghshband) are also used by an Iranian-linked electronics company that shares the same address as Mabrooka and Candid in Dubai.<sup>8 9</sup> This Iranian company may share a manager with Mabrooka Trading, as explored further below.<sup>10 11</sup> Finally, the sanctioned Hong Kong-based Anhui Land Group may share a name with an unsanctioned Chinese company that manufactures general industrial instruments with potential applications for carbon fiber manufacturing, and which claims to manufacture expert-certified nuclear grade cables.<sup>12 13 14</sup>

\$3.1 MILLION

5 PROPERTIES



USE OF REAL ESTATE



The property data indicate that Pournaghshband has been associated with five properties in Dubai valued at \$3.11 million.<sup>15 16</sup>

Pournaghshband's properties are associated with multiple phone numbers, emails, and an address shared with Mabrooka Trading.<sup>17</sup> Pournaghshband's contact information associated with the properties in the data also matched multiple commercial listings for a cargo and logistics company with operations in the UAE and China, both of which are jurisdictions where Pournaghshband's network previously operated.<sup>18</sup>

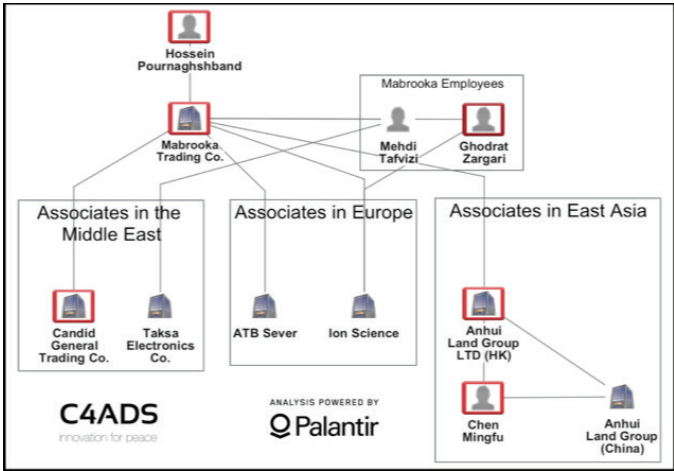
POURNAGHSHBAND'S & MABROOKA'S EXPANDED CORPORATE NETWORK

Pournaghshband has maintained a number of additional relevant corporate affiliations, including relationships with unsanctioned companies whose operations span the UAE, Iran, China, and beyond. For example, and as discussed below, Mabrooka Trading has exhibited a historical commercial relationship with **ATB Sever**, a Serbian company within the ATB Group.<sup>19</sup> As indicated on its website, ATB Sever manufactures electromotors for use in a range of technical contexts, including “nuclear and thermal power plants.”<sup>20</sup> In addition to jointly attending conferences with Mabrooka Trading in 2011, Sever used a Mabrooka email as its contact information in an Iranian oil and gas commercial directory.<sup>21 22</sup> ATB Sever also claimed a trading relationship with Iran, currently serves as a supplier for the Iranian company Atoorsanat, and included Iran under the areas of expertise for four employees on its website as of May 2018.<sup>23 24 25</sup>

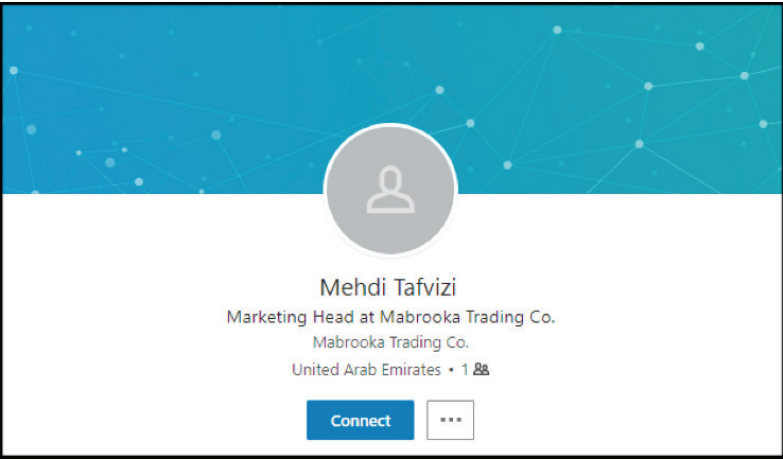
Separately, **Taksa Co.**, a Dubai-based electronics distributor, shared its phone number, fax number, and address with Mabrooka Trading and Candid General Trading – information also associated with Pournaghshband-linked properties.<sup>26 27 28</sup> These shared identifiers appear in an online electronic parts marketplace profile for Taksa.<sup>29 30</sup> While “Taksa Co.” does not appear in any other official Dubai registries, the company is similar in name to **Taksa Electronics Company**, an automation and electronic components design and supply company based in Isfahan, Iran.<sup>31 32</sup> The Iranian company's managing director appears to be **Mehdi Tafvizi**, an individual whose name is identical to a Mabrooka Trading marketing executive.<sup>33 34</sup>



A picture from Pournaghshband's Facebook shows him at a conference where Mabrooka jointly presented with Sever. Source: Facebook



Pournaghshband, his sanctioned network (highlighted in red), and the unsanctioned corporate connections



A LinkedIn profile for Mehdi Tafvizi stating that he works at Mabrook Trading in the UAE

In 2010, the Mehdi Tafvizi associated with Mabrooka Trading attended a conference in China as a Mabrooka Trading representative.<sup>35</sup> His listed email and phone numbers (those of Mabrooka Trading) are associated with properties linked to Pournaghshband in Dubai.<sup>36 37 38</sup> Based on the commonality in both name and contact information, “Mehdi Tafvizi” may be the same executive associated with the Dubai-Taksa Co., the Iran-based Taksa Electronics Company, the Mabrooka Trading network, and possible activities in China.

THE CHINA ANGLE

Further exploration of Mabrooka's commercial ties to China revealed a potentially related unsanctioned company that was still in operation as of May 2018. According to his sanctions designation, Pournaghshband worked with Anhui Land Group Co. (formerly named China Mabrooka Trading Company LLC) in Hong Kong, which was sanctioned for procuring carbon fiber-related materials on behalf of Pournaghshband's network.<sup>39 40</sup> Anhui Land Group in Hong Kong is located in a stall in a Hong Kong mall shared with several other companies, and it bears the same name as a manufacturing company based in mainland China, **Anhui Land Group**.<sup>41 42 43 44</sup> The Chinese characters for the Hong Kong and mainland companies are nearly identical, differing by only one character, a discrepancy explained by mainland China's use of simplified Chinese versus Hong Kong's use of traditional Chinese.<sup>45 46</sup> The unsanctioned mainland Chinese company produces measurement instruments, wires, cables, and voltage distributors.<sup>47</sup> Additionally, the sanctioned director of the Hong Kong-based Anhui Land Group, Chen Mingfu, had resided at one point in Tianchang, Chuzhou, Anhui, China.<sup>48</sup> This is the same city and province where the mainland Anhui Land Group is located.<sup>49</sup>



A comparison of the Chinese names of the Anhui Land Group in China and Anhui Land Group in Hong Kong reveals that the two are nearly identical, with the difference accounted for by traditional vs simplified Chinese

CONCLUSION

Pournaghshband used the UAE as a base for his procurement activity on behalf of the Iranian government's missile program. This allowed him to conduct a wider scope of activity than previously recognized, with corporate structures that directly parallel the geographic and operational profiles of his sanctioned network. He is tied to \$3.11 million worth of property in Dubai, and data associated with these properties tied him to two unsanctioned companies trading in the UAE, Iran, and China – the three jurisdictions in which he previously conducted sanctioned activity. One of these companies, an Iranian electronics corporation, appears to share a manager with Mabrooka Trading. Separately, a Chinese company that bears striking similarities to the Hong Kong company sanctioned for assisting procurement activity is still active and dealing in potentially applicable materials.

ENDNOTES

1 (2016, January 17) Treasury Sanctions Those Involved in Ballistic Missile Procurement for Iran. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0322.aspx>

2 Carbon fiber is a component of missile airframes critical to making them lighter while retaining their strength. Retrieved from: <https://publicmissiles.com/product/composites>

3 (2016, January 17) Treasury Sanctions Those Involved in Ballistic Missile Procurement for Iran. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0322.aspx>

4 (2016, January 17) Treasury Sanctions Those Involved in Ballistic Missile Procurement for Iran. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0322.aspx>

5 (2017, February 3) Treasury Sanctions Supporters of Iran's Ballistic Missile Program and Iran's Islamic Revolutionary Guard Corps – Qods Force. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/as0004.aspx>

6 UAE Property and Residency Dataset.

7 Hira Air Sea Cargo Express LLC. Retrieved from: <http://www.hiratourismcargo-dubai.com/home>

8 UAE Property and Residency Dataset.

9 Taksa Electronic Co. Kompas. Retrieved from: <https://www.kompass.com/z/ir/c/taksa-electronic-co/ir075948/>

10 Taksa Electronic Co. Kompas. Retrieved from: <https://www.kompass.com/z/ir/c/taksa-electronic-co/ir075948/#presentation>

11 Mehdi Tafvizi. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/mehdi-tafvizi-89498119/>

12 Anhui Land Group (China) Chinese Business Registry Filing, document held by author available upon request.

13 Group Profile. Anhui Land Group Co., Ltd. Retrieved from <http://www.landgroup.cn/index.php?case=archive&act=list&catid=19>

14 Group Profile. Anhui Land Group Co., Ltd. Retrieved from: <http://www.landgroup.cn/index.php?case=archive&act=list&catid=19>

15 UAE Property and Residency Dataset.

16 The price estimate for this property is based on a survey of known units in Bayswater Tower – however, it should be noted that there's great variety in price for office space in this building.

17 UAE Property and Residency Dataset.

18 Hira Air Sea Cargo Express LLC. Retrieved from: <http://www.hiratourismcargo-dubai.com/home>

19 ATB Sever. Production facilities. ATB. Retrieved from: <http://www.atb-motors.com/EN/Locations/Production%20facilities/ATB+Sever.aspx>

20 ATB Sever. Production facilities. ATB. Retrieved from: <http://www.atb-motors.com/EN/Locations/Production%20facilities/ATB+Sever.aspx>

21 Hossein Pournaghshband (2011, October 11) [Facebook Post]. Retrieved from: <https://www.facebook.com/photo.php?fbid=108562475921108&set=pb.100003020674495.-2207520000.1525210023.&type=3&theater>

22 Sever. Industry & Tools. Oilgasindustry.ir. Retrieved from: <http://www.oilgasindustry.ir/view.aspx?sid=1156>

23 برند های موجود در آتور صنعت . Atoorsanat. Retrieved from: <http://atoorsanat.com/brand/url/2>

24 (2010) Technical Documentation. ATB Sever. Retrieved from: [http://www.elektromasinogradnja.com/main/images/stories/sever/refernce\\_lists/RL10-HV.pdf](http://www.elektromasinogradnja.com/main/images/stories/sever/refernce_lists/RL10-HV.pdf)

25 Sales Department. ATB Sever. Retrieved from: [http://sever.rs/wp02/?page\\_id=53](http://sever.rs/wp02/?page_id=53)

26 Detailed information for: 5STP34N5200. ABB Product-Details. Retrieved from: <http://new.abb.com/products/5STP34N5200/phase-control-thyristor-pct>

27 TAKSA CO. HoBid. Retrieved from: <https://www.hobid.com/company/1381e0c>

28 UAE Property and Residency Dataset.

29 Detailed information for: 5STP34N5200. ABB Product-Details. Retrieved from: <http://new.abb.com/products/5STP34N5200/phase-control-thyristor-pct>

30 TAKSA CO. HoBid. Retrieved from: <https://www.hobid.com/company/1381e0c>

31 C4ADS research indicates that Taksa Co. in Dubai is either an inactive company or was potentially never registered. This could possibly indicate that "Taksa Co." is synonymous with or a front for the Iran-based Taksa Electronics Company – a theory supported by the fact that all of the Dubai identifiers are shared with Mabrooka Trading.

32 Taksa Electronic Co. Kompas. Retrieved from: <https://www.kompass.com/z/ir/c/taksa-electronic-co/ir075948/>

33 Taksa Electronic Co. Kompas. Retrieved from: <https://www.kompass.com/z/ir/c/taksa-electronic-co/ir075948/#presentation>

34 Mehdi Tafvizi. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/mehdi-tafvizi-89498119/>

35 Valve. 107th Canton Fair Buyer List. Retrieved from: [https://cantonfair107.mingluji.com/inquiry\\_3/valve](https://cantonfair107.mingluji.com/inquiry_3/valve)

36 Valve. 107th Canton Fair Buyer List. Retrieved from: [https://cantonfair107.mingluji.com/inquiry\\_3/valve](https://cantonfair107.mingluji.com/inquiry_3/valve)

37 TAKSA CO. HoBid. Retrieved from: <https://www.hobid.com/company/1381e0c>

38 UAE Property and Residency Dataset.

39 Anhui Land Group Co. LTD. 2015 Annual Report. Hong Kong Business Registry Filing, document held by author available upon request.

40 (2016, January 17) Treasury Sanctions Those Involved in Ballistic Missile Procurement for Iran. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0322.aspx>

41 Wan Chai – Cathay 88. 28Hse.com. Retrieved from: Anhui Land Group Co. LTD. 2015 Annual Report. Hong Kong Business Registry Filing, document held by author available upon request.

42 Weicun & Co., Limited. Hong Kong Gifts & Premium Fair. Retrieved from: <http://event.hktdc.com/fair/hkgiftspremiumfair-en/Exhibitor/HKTDc-Hong-Kong-Gifts-and-Premium-Fair/Weicun-Co-Limited/1X6I6S5J/>

43 China Bomed Co, Limited. Standards Organisation of Nigeria. Retrieved from: <https://trade.gov.ng/son/print.do?type=SC&number=NGC01004013>

44 Anhui Land Group (China) Chinese Business Registry Filing, document held by author available upon request.

45 See comparison in image below. Chinese language analysis provided by C4ADS internal investigative resources.

46 Anhui Land Group (China) Chinese Business Registry Filing, document held by author available upon request.

47 Group Profile. Anhui Land Group Co., Ltd. Retrieved from <http://www.landgroup.cn/index.php?case=archive&act=list&catid=19>

48 341181198004300019 – Information behind a valid Resident ID number of the People's Republic of China. China Foreigners Guide. Retrieved from: [http://www.cfguide.com/tool/ID\\_card\\_locator.asp?key=341181198004300019](http://www.cfguide.com/tool/ID_card_locator.asp?key=341181198004300019)

49 Group Profile. Anhui Land Group Co., Ltd. Retrieved from <http://www.landgroup.cn/index.php?case=archive&act=list&catid=19>



# Rami Mohammed Makhlouf



**Rami Mohammed Makhlouf** is a cousin of Syrian President Bashar al-Assad and is generally known as one of the richest men in Syria.<sup>1</sup> In this capacity, Makhlouf has become a key enabler of the regime, assisting the Syrian government economically and financially. Makhlouf was sanctioned by the US Department of the Treasury in 2008 for being a corrupt beneficiary of the Syrian regime, and was then sanctioned by the European Union (EU) in 2011 for aiding the regime's human rights abuses.<sup>2 3</sup> The US and EU similarly sanctioned his brothers, **Ihab, Iyad, and Hafez Makhlouf**, as well as his father, **Mohammed Makhlouf**, and his cousin, **Mohammed Hassan Abbas**, for providing material and financial assistance to the regime, enabling its human rights violations, and benefitting from the regime's public corruption.<sup>4 5</sup> Between 2008 and 2017, at least 14 companies associated with Rami and his immediate family were sanctioned by US and EU authorities.<sup>6 7 8 9</sup> However, further investigation showed that Makhlouf, his family, and his corporate associates have also owned, directed, and controlled dozens of unsanctioned companies in Syria, Lebanon, the UAE, Romania, Austria, and the British Virgin Islands, some of which were still active as of May 2018.<sup>10 11 12 13 14 15 16</sup>

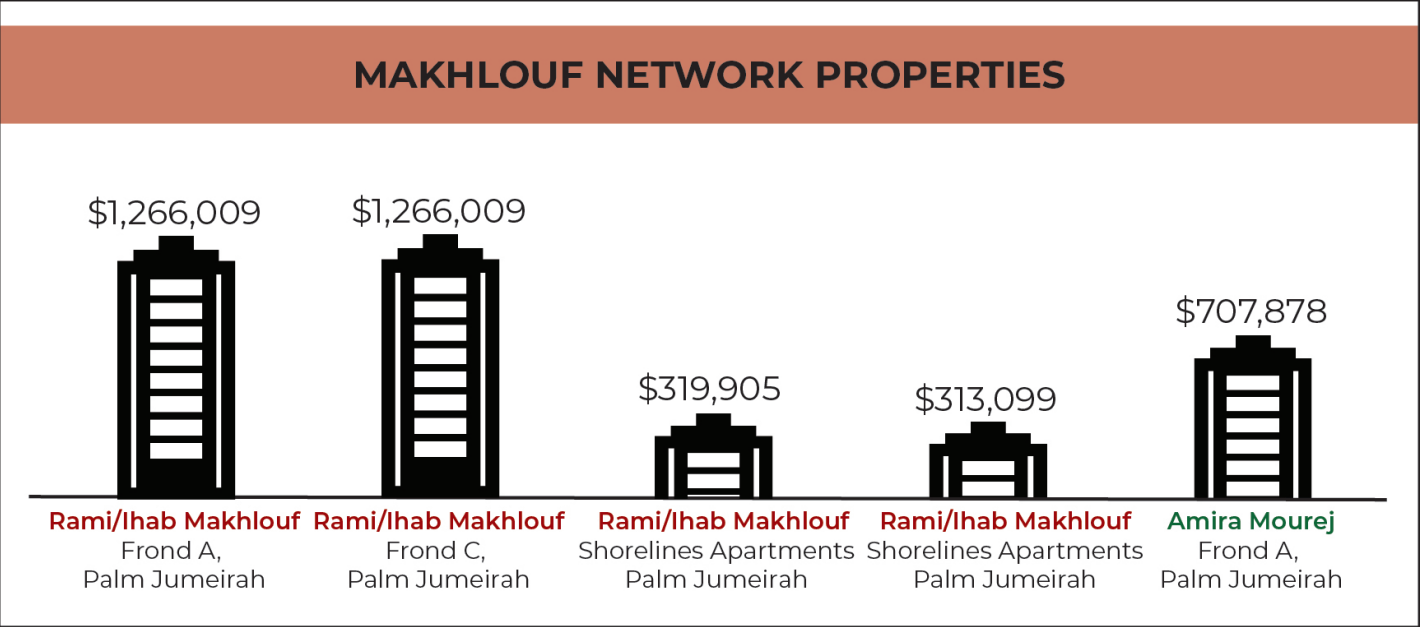
As discussed below, Rami and his brother Ihab are associated with at least \$3.17 million in Dubai real estate. The property data also show that these two share contact information with **Amira Mourej**, his mother-in-law, who is also associated with a property in Dubai worth approximately \$700,000.<sup>17 18</sup> In addition to their personal relationships, Makhlouf, Mourej, and their immediate family networks have shared commercial holdings in Romania, Austria, and Lebanon, some of which converge around several other sanctioned affiliates.<sup>19 20</sup>

The properties associated with the Makhloufs in Dubai were also linked to two UAE-based companies, **Medtrade FZE** and **Ladessa Holding FZCO**, through shared contact information with both Rami Makhlouf and his close commercial associates, **Sami Barakat** and **Ammar Sharif**.<sup>21 22</sup> Sharif is an EU-sanctioned Syrian businessman designated in October 2016.<sup>23</sup> Both Sharif and Barakat reportedly hold ownership or management stakes in multiple sanctioned companies affiliated with Rami Makhlouf.<sup>24 25 26 27 28</sup>

\$3.9 MILLION

5 PROPERTIES

USE OF REAL ESTATE



Rami and his brother Ihab Makhoulouf are associated with multimillion-dollar properties on the UAE’s Palm Jumeriah as detailed above.<sup>29</sup>

A close examination of the phone numbers, emails, and addresses used by the Makhouloufs in the property data showed that property associated with **Amira Mourej** (Rami’s mother-in-law )<sup>30 31</sup> used the same identifiers.<sup>32</sup>

Beyond this personal relationship, Mourej and her family maintain commercial connections to Makhoulouf and other sanctioned individuals, as detailed below.

MAKHLouF’S EXPANDED CORPORATE NETWORK

Lebanese corporate records showed that Rami and Ihab Makhoulouf served as founders and members of the following three unsanctioned companies in Lebanon, each of which declared its operations as owning, managing, financing, and operating other companies:<sup>33</sup>

- **Middle East Law Firm SAL**
- **Trudi Holding SAL**
- **Dom Development Holding SAL**

As of 2017, Rami Makhoulouf also served as a member of **Rock Invest Holding SAL** and a founder of **Drex Telecom (DTH) Holding SAL**.<sup>34</sup> However, his name was withdrawn from both active companies’ official records over the past year, indicating that Makhoulouf’s corporate associations were adjusted as recently as 2017.<sup>35</sup>

The personal identifiers listed alongside the properties associated with Rami and Ihab were also used by two unsanctioned companies in the UAE: **Ladessa Gulf Holding FZCO** and **Medtrade FZE**.<sup>36 37</sup>

Ladessa Gulf Holding is a general trading company in Dubai that used the same email address as properties associated with Rami Makhoulouf.<sup>38 39</sup> Makhoulouf was also identified as the company’s contact person on a public commercial listing of Jebel Ali-registered companies.<sup>40</sup> Open-source phone registration records indicate that Ladessa’s phone and fax numbers appear to belong to **Sami Barakat**, a close corporate associate of Rami Makhoulouf.<sup>41</sup> Barakat previously held senior positions at **Cham Holdings**, a company sanctioned by US and EU authorities for involvement in public corruption, as well as ties to Rami Makhoulouf.<sup>42 43</sup> Barakat also worked at **Syriatel**, another sanctioned company that was majority-owned by Rami Makhoulouf and administered by his brother, Ihab.<sup>44 45 46</sup>



A commercial listing for Ladessa Gulf Holding FZCO, with multiple identifiers that link back to Rami Makhoulouf and his associates. Source: UAEContact

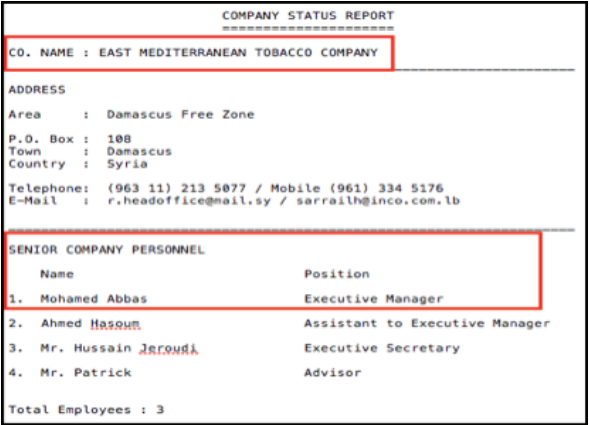
In addition to his ties to Makhoulouf, Barakat maintained separate connections to the Assad regime. He served as a managing director and shareholder for **Allied Consultant House**, a consultancy firm based in Syria, as of May 2018.<sup>47 48</sup> Barakat’s co-directors also previously held managerial roles in the Rami Makhoulouf-affiliated and US and EU-sanctioned Cham Holdings.<sup>49</sup> Allied Consultant House claimed to provide services to “Aamal,” a Syrian NGO also known as the Syrian Organization for the Disabled.<sup>50 51</sup> Aamal was founded at the behest of **Asma al-Assad**, President Bashar al-Assad’s wife, and it continues to maintain close ties to her.<sup>52 53</sup>

The other UAE company associated with Rami Makhoulouf is Medtrade FZE. Medtrade shared an email address with Rami Makhoulouf and shared phone numbers with Sami Barakat, according to public commercial directories that list the company’s contact details.<sup>54 55</sup> Additionally, one of Medtrade’s other phone numbers was used by **Ammar Sharif**, an EU-sanctioned Syrian businessman and Assad regime financier who appeared as the company’s point of contact in several public commercial listings.<sup>56 57 58 59</sup>

In addition to his presence in the UAE, Sharif has served as a founder, shareholder, or administrator for a variety of commercial entities in Romania, Austria, Lebanon, and Syria that also link him to Rami and Ihab Makhoulouf.

- In Syria, Sharif served on multiple unsanctioned companies, sometimes with the sanctioned Makhoulouf brothers, including **Byblos Bank Syria**, **Unlimited Hospitality Ltd**, **Solidarity Alliance Insurance Company**, and **Al-Aqueelah Takaful Insurance Company**.<sup>60 61</sup>
- In Lebanon, Sharif is a registered founder and 99.8% shareholder in the active, unsanctioned holding company **Rock Invest Holding SAL** as of May 2018. In 2017, Rami Makhoulouf was a member of the board of Rock Invest, a position he has since left.<sup>62</sup> Rock Invest owned the majority of shares in a Romanian company with a similar name, which has since been dissolved.<sup>63</sup>
- In Romania, Sharif separately served as an administrator for **Domicilium SRL**, a real estate company suspended in 2009 under unknown circumstances.<sup>64</sup> He held this position alongside **Kaswarah Othman**, his brother-in-law.<sup>65 66 67</sup>
- In Austria, Sharif was affiliated with two companies, **Pendulum SRL** and **Laudisia SRL**. For Pendulum SRL, Sharif held shares in conjunction with **Nader Mohammed Wajieh Kalai**.<sup>68</sup> Kalai was formerly the CEO of Syriatel Mobile Telecom SA, Syria’s largest telecommunications provider, which was sanctioned in 2008.<sup>69</sup> Syriatel was owned by Rami Makhoulouf and operated by Ihab Makhoulouf, who served as the company’s vice chairman as of 2011.<sup>70 71</sup>

These commercial relationships demonstrate the degree of convergence between Makhoulouf’s sanctioned and unsanctioned networks across the Middle East, Europe, and beyond. They also show how associates such as Ammar Sharif and Sami Barakat extend the Makhoulouf network’s transnational reach and provide a bridge between sanctioned actors and unsanctioned commercial activities.



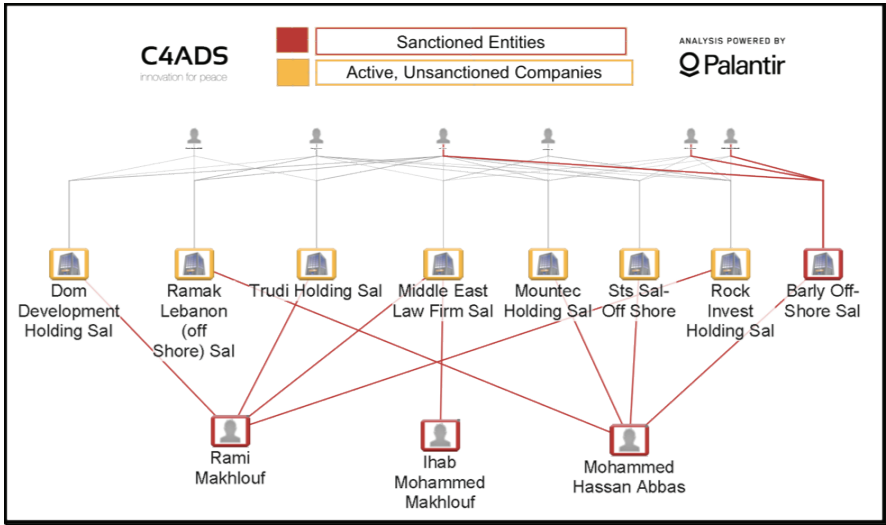
A credit report for East Mediterranean Tobacco Company reveals that Mohammad Abbas serves as Executive Manager

For example, Rami’s UAE property holdings shared an address with a Syria-based company, **East Mediterranean Tobacco Company**, as shown in the ICP credit report pictured above.<sup>72 73</sup> The company was managed by **Mohammad Hassan Abbas**, Rami’s cousin who was also sanctioned by US authorities in 2017.<sup>74 75</sup> In addition to his Syrian company, Abbas maintains a variety of roles in five Lebanese companies, four of which were active and unsanctioned as of May 2018. Many of the directors and shareholders for these companies also served in the same capacity for Rami and Ihab Makhoulouf’s unsanctioned companies. Abbas’s corporate holdings in Lebanon have included:<sup>76</sup>

- **Mountec Holding SAL**<sup>77</sup>
- **General Company for Spare Parts GENCO Limited**<sup>78</sup>

- **STS Offshore**<sup>79</sup>
- **First Aid SAL**<sup>80</sup>
- **Barly Offshore SAL** (sanctioned)<sup>81</sup>

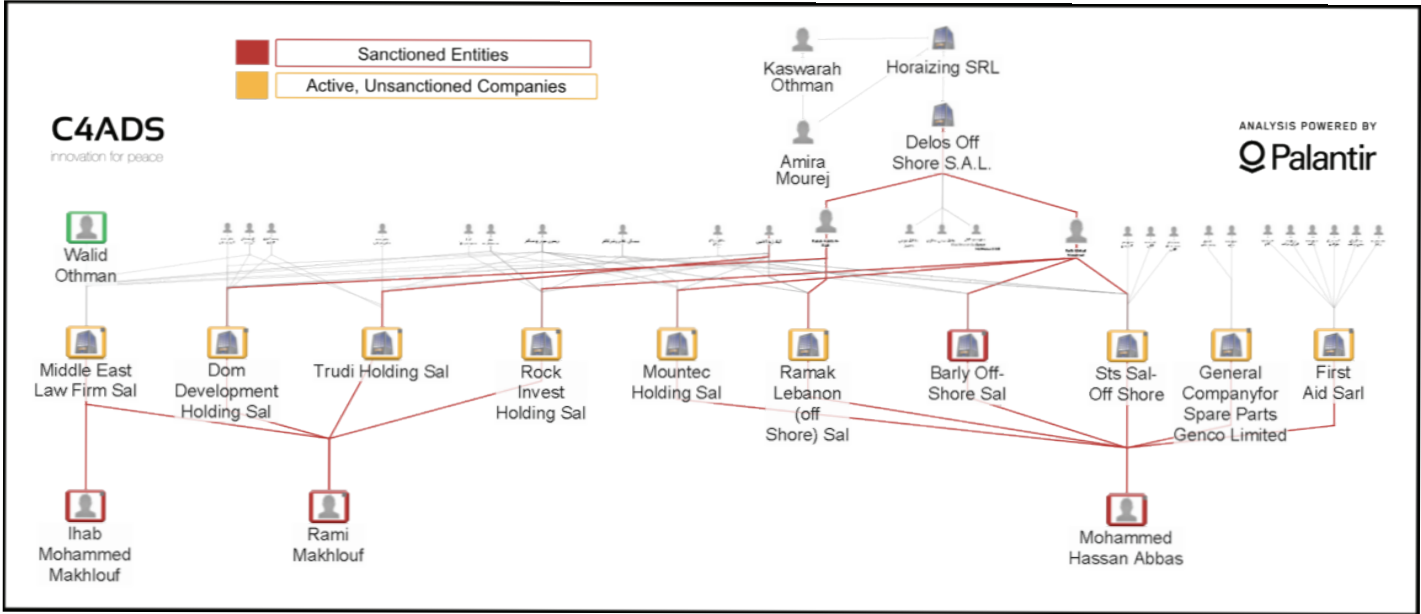
Through his Lebanese companies, Abbas also maintained an indirect relationship with Delos Offshore, the Lebanon-based shareholder in Horaizing SRL that was tied to Rami Makhoulf through shared directors of both his sanctioned and unsanctioned companies. This relationship is further explored below.



Overlap in shareholders between Rami and Ihab Makhoulf's unsanctioned companies and their cousin Mohammed Hassan Abbas' sanctioned and unsanctioned companies in Lebanon. Only overlapping shareholders depicted here. Source: Lebanon Commercial Registry

MAKHOUF'S CONNECTION TO ROMANIA

Rami Makhoulf's mother-in-law, Amira Mourej (also known as Amira Mourei),<sup>82</sup> is married to **Walid Ali Othman**, the Syrian Ambassador to Romania and former Ambassador to Moldova.<sup>83 84 85 86</sup> One of Rami's brothers-in-law, **Kaswarah Othman**, was associated with multiple commercial holdings in Romania and Austria that relate back to Rami Makhoulf and his corporate network.<sup>87 88</sup>



Highlighted in red, connections between the Mourej family, Delos Offshore SAL and its officers, and Lebanese companies linked to the sanctioned Rami Makhoulf, Ihab Makhoulf, and Mohammad Hassan Abbas. Source: Lebanon Commercial Registry

In Romania, Mourej's family purchased military land in 2014, which had been used by NATO forces as recently as July 2017, using a company that maintained connections with sanctioned individuals, including Rami Makhoulf.<sup>89</sup> Kaswarah Othman, son of Mourej, became a prominent shareholder in the Romanian company **Horaizing SRL** in 2009, shortly after the company purchased a portion of the Capu Midia military base.<sup>90</sup> Mourej later reportedly took over her son's shares.<sup>91</sup> Then, in 2014, Horaizing was acquired by **Delos Offshore SAL**, a Lebanon-based company.<sup>92</sup> Through shared

employees, Delos Offshore had ties to seven other companies owned or managed by Rami and Ihab Makhoulf and their sanctioned cousin, **Mohammed Hassan Abbas**, as of May 2018.<sup>93</sup> Only one of these companies (Barly Off-shore SAL) is sanctioned, and the remaining six appeared to be active as of May 2018.<sup>94</sup> The chart above illustrates these relationships.

CONCLUSION

Rami Makhoulf was sanctioned for acting as both a principal enabler of the Syrian regime and a benefactor of regime corruption. Despite multiple individual and company-specific sanctions designations, Makhoulf and his network appear to maintain a much more extensive corporate footprint, with companies currently operating outside of Syria, as well as \$3.17 million in luxury property associated with Rami's sanctioned brother, Ihab. These properties shared identifiers with unsanctioned companies in the UAE and Syria, as well as multiple Makhoulf associates who helm commercial enterprises across Lebanon, Romania, Austria, and other offshore jurisdictions. The related Romanian companies' holdings include land used by NATO troops for military exercises. Through corporate networks such as these, only a fraction of which were likely uncovered here, the Makhoulf family is able to continue evading sanctions and supporting the Syrian war economy while leading luxurious lifestyles abroad.



ENDNOTES

1 Rami Makhoulf. The Swiss Leaks. The International Consortium of Investigative Journalists. Retrieved from: <https://projects.icij.org/swiss-leaks/people/rami-makhoulf>

2 (2008, February 21) Treasury Designates Syrian for Corruption. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/20082214475621757.aspx>

3 Financial Sanctions Database. FSF Platform. European Union. Retrieved from: <https://webgate.ec.europa.eu/europeaid/fsd/fsf#/files>

4 (2017, May 16) Syria Designations; Non-proliferation Designations; Transnational Criminal Organizations Designations Updates and Removal. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20170516.aspx>

5 Financial Sanctions Database. FSF Platform. European Union. Retrieved from: <https://webgate.ec.europa.eu/europeaid/fsd/fsf#/files>

6 (2011, August 10) Treasury Sanctions State-Owned Syrian Financial Institutions and Syria's Largest Mobile Operator. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg1273.aspx>

7 (2011, May 18) Administration Takes Additional Steps to Hold the Government of Syria Accountable for Violent Repression Against the Syrian People. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg1181.aspx>

8 (2017, May 30) List of persons and entities under EU restrictive measures over the situation in Syria. Council of the European Union. Retrieved from: <https://www.consilium.europa.eu/media/21509/list-persons-entities-eu-restrictive-measures-syria-30052017.pdf>

9 (2017, May 16) Syria Designations; Non-proliferation Designations; Transnational Criminal Organizations Designations Updates and Removal. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20170516.aspx>

10 Corporate registrations accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

11 Conexiuni. Rise Project. <https://www.riseproject.ro/persoana/>.

12 Board of Directors. Solidarity Alliance. Retrieved from: <http://www.solidarity-sy.com/en/Directors/6>

13 International Company Profile credit reports. Documents held by author, available upon request.

14 Sami Barakat. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/sami-barakat-2754338b/>

15 Jebel Ali Free Zone Data File. VDocuments. Retrieved from: <https://vdocuments.site/documents/jebel-ali-free-zone-data-file-.html>

16 Garside, J. and Pegg, D. (2016, April 5) Mossack Fonseca serviced Assad cousin's firms despite Syria corruption fears. The Guardian. Retrieved from: <https://www.theguardian.com/news/2016/apr/05/mossack-fonseca-panama-papers-rami-makhoulf-syria-assad-hsbc>

17 UAE Property and Residency Dataset.

18 Poenariu, A., Pavel, A., Leonte, C., & Attila, B. (2018, March 6) Romanian Army Land Used by NATO Owned by Friends and Kin of Syrian Dictator. The Organized Crime and Corruption Reporting Project (OCCRP). Retrieved from: <https://www.occrp.org/en/paradisepapers/romanian-army-land-used-by-nato-owned-by-friends-and-kin-of-syrian-dictator>

19 Corporate registrations accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

20 Conexiuni. Rise Project. <https://www.riseproject.ro/persoana/>.

21 Ladessa Gulf Holding FZCO. UAE Contacts and Business Locations. Retrieved from: <http://www.uacontact.com/company/ladessa-gulf-holding-fzco.htm>

22 Medtrade FZE. UAE Contacts and Business Locations. Retrieved from: <http://www.uacontact.com/company/medtrade-fze.htm>

23 (2016, October 28) Council Implementing Decision (CFSP) 2016/1897 of 27 October 2016 implementing Decision 2013/255/CFSP concerning restrictive measures against Syria. The Council of the European Union. Retrieved from: [http://eur-lex.europa.eu/eli/dec\\_impl/2016/1897/oj](http://eur-lex.europa.eu/eli/dec_impl/2016/1897/oj)

24 Sami Barakat. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/sami-barakat-2754338b/>

25 (2011, May 18) Administration Takes Additional Steps to Hold the Government of Syria Accountable for Violent Repression Against the Syrian People. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg1181.aspx>

26 (2017, May 16) Treasury Sanctions Additional Individuals and Entities In Response to Continuing Violent Attacks on Syrian Citizens by the Syrian Government. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/sm0087.aspx>

27 (2010, January 31) Business sectors banking and finance banks insurance companies. Textarchive.ru. Retrieved from: <http://textarchive.ru/c-1529602-pall.html>

28 (2016, October 28) Council Implementing Decision (CFSP) 2016/1897 of 27 October 2016 implementing Decision 2013/255/CFSP concerning restrictive measures against Syria. The Council of the European Union. Retrieved from: [http://eur-lex.europa.eu/eli/dec\\_impl/2016/1897/oj](http://eur-lex.europa.eu/eli/dec_impl/2016/1897/oj)

29 UAE Property and Residency Dataset.

30 (2012, January 18) Council Regulation (EU) No 36/2012 of 18 January 2012 concerning restrictive measures in view of the situation in Syria and repealing Regulation (EU) No 442/2011. Council of the European Union. Retrieved from: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02012R0036-20170927&from=ES>

31 Poenariu, A., Pavel, A., Leonte, C., & Attila, B. (2018, March 6) Romanian Army Land Used by NATO Owned by Friends and Kin of Syrian Dictator. The Organized Crime and Corruption Reporting Project (OCCRP). Retrieved from: <https://www.occrp.org/en/paradisepapers/romanian-army-land-used-by-nato-owned-by-friends-and-kin-of-syrian-dictator>

32 Lebanese Commercial Register, documents held by author available upon request.

33 Mountec Holding SAL. Lebanese Commercial Register, document held by author available upon request.

34 Mountec Holding SAL. Lebanese Commercial Register, document held by author available upon request.

35 Makhoulf, Rami. SanctionsExplorer. Archer, C4ADS. Retrieved from: <https://sanctionsexplorer.org/sdn>.

36 Ladessa Gulf Holding FZCO. UAE Contacts and Business Locations. Retrieved from: <http://www.uacontact.com/company/ladessa-gulf-holding-fzco.htm>

37 Medtrade FZE. UAE Contacts and Business Locations. Retrieved from: <http://www.uacontact.com/company/medtrade-fze.htm>

38 Ladessa Gulf Holding FZCO. UAE Contacts and Business Locations. Retrieved from: <http://www.uacontact.com/company/ladessa-gulf-holding-fzco.htm>

39 Ladessa Gulf Holding FZCO. AllDubai.Biz. Retrieved from: <http://alldubai.biz/c-263522-ladessa-gulf-holding-fzco.html> Ladessa Gulf Holding FZCO. UAE Contacts and Business Locations. Retrieved from: <http://www.uacontact.com/company/ladessa-gulf-holding-fzco.htm>

40 Jebel Ali Free Zone Data. File. VDocuments. Retrieved from: <https://vdocuments.site/documents/jebel-ali-free-zone-data-file-.html>

41 97148810500. Sami Barakat. Truecaller. Retrieved from: <https://www.truecaller.com/search/us/971%2048810500>

42 Sami Barakat. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/sami-barakat-2754338b/>

43 (2011, May 18) Administration Takes Additional Steps to Hold the Government of Syria Accountable for Violent Repression Against the Syrian People. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg1181.aspx>

44 Sami Barakat. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/sami-barakat-2754338b/>

45 (2017, May 16) Treasury Sanctions Additional Individuals and Entities In Response to Continuing Violent Attacks on Syrian Citizens by the Syrian Government. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/sm0087.aspx>

46 (2017, May 16) Syria Designations; Non-proliferation Designations; Transnational Criminal Organizations Designations Updates and Removal. United States Department of the Treasury. <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20170516.aspx>

47 Sami Barakat. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/sami-barakat-2754338b/>

48 (2018, May 19) Allied Consultants House Credit Report. International Company Profile, document held by author available upon request.

49 (2018, May 19) Allied Consultants House Credit Report. International Company Profile, document held by author available upon request.

50 Sami Barakat. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/sami-barakat-2754338b/>

51 Aamal: The Pioneering Institution. Retrieved from: [http://www.presidentassad.net/index.php?option=com\\_content&view=article&id=1562:aamal-the-pioneering-institution&ca](http://www.presidentassad.net/index.php?option=com_content&view=article&id=1562:aamal-the-pioneering-institution&ca)

tid=165&Itemid=487

52 Laura Ruiz De Elvira and Tina Zintl. "Civil Society and the State of Syria: The Outsourcing of Social Responsibility." St. Andrews Papers on Contemporary Syria." March 31, 2012. Lynne Rienner Publishers.

53 Aamal: The Pioneering Institution. Retrieved from: [http://www.presidentassad.net/index.php?option=com\\_content&view=article&id=1562:aamal-the-pioneering-institution&catid=165&Itemid=487](http://www.presidentassad.net/index.php?option=com_content&view=article&id=1562:aamal-the-pioneering-institution&catid=165&Itemid=487)

54 UAE Property and Residency Dataset.

55 Medtrade FZE. UAE Contacts and Business Locations. Retrieved from: <http://www.uacontact.com/company/medtrade-fze-2.htm>

56 (2016, October 28) Council Implementing Decision (CFSP) 2016/1897 of 27 October 2016 implementing Decision 2013/255/CFSP concerning restrictive measures against Syria. The Council of the European Union. Retrieved from: [http://eur-lex.europa.eu/eli/dec\\_impl/2016/1897/oj](http://eur-lex.europa.eu/eli/dec_impl/2016/1897/oj)

57 (2018, August 05) Consolidated List of Financial Sanctions Targets in the UK. Her Majesty's Treasury (HMT). Retrieved from: <http://hmt-sanctions.s3.amazonaws.com/sanctionsconlist.pdf>

58 UAE Property and Residency Dataset.

59 Medtrade FZE. BizMidEast. Retrieved from: [https://www.bizmideast.com/AE/medtrade-fze\\_17-04-881-0500](https://www.bizmideast.com/AE/medtrade-fze_17-04-881-0500)

60 (2010, January 31) Business sectors banking and finance banks insurance companies. Textarchive.ru. Retrieved from: <http://textarchive.ru/c-1529602-pall.html>

61 (2016, October 28) Council Implementing Decision (CFSP) 2016/1897 of 27 October 2016 implementing Decision 2013/255/CFSP concerning restrictive measures against Syria. The Council of the European Union. Retrieved from: [http://eur-lex.europa.eu/eli/dec\\_impl/2016/1897/oj](http://eur-lex.europa.eu/eli/dec_impl/2016/1897/oj)

62 Rock Invest Holding SAL. Lebanese Commercial Register Filing, document held by author available upon request.

63 Rock Investment SRL. Risco Business Intelligence, document held by author available upon request.

64 Domicilium SRL. Risco Business Intelligence, document held by author available upon request.

65 Domicilium SRL. Risco Business Intelligence, document held by author available upon request.

66 (2012, January 18) Council Regulation (EU) No 36/2012 of 18 January 2012 concerning restrictive measures in view of the situation in Syria and repealing Regulation (EU) No 442/2011. Council of the European Union. Retrieved from: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02012R0036-20170927&from=ES>

67 Poenariu, A., Pavel, A., Leonte, C., & Attila, B. (2018, March 6) Romanian Army Land Used by NATO Owned by Friends and Kin of Syrian Dictator. The Organized Crime and Corruption Reporting Project (OCCRP). Retrieved from: <https://www.occrp.org/en/paradisepapers/romanian-army-land-used-by-nato-owned-by-friends-and-kin-of-syrian-dictator>

68 Pendulum SRL. Conexiuni. Rise Project. Retrieved from: <https://www.riseproject.ro/firma/pendulum-srl/>

69 Nader Kalai. Zoominfo Profile. Retrieved from: <https://www.zoominfo.com/p/Nader-Kalai/446554510>

70 (2011, August 10) Treasury Sanctions State-Owned Syrian Financial Institutions and Syria's Largest Mobile Phone Operator. United State Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg1273.aspx>

71 (2017, May 30) List of persons and entities under EU restrictive measures over the situation in Syria. Council of the European Union. Retrieved from: <https://www.consilium.europa.eu/media/21509/list-persons-entities-eu-restrictive-measures-syria-30052017.pdf>

72 UAE Property and Residency Dataset.

73 (2009, August 14) East Mediterranean Tobacco Company Credit Report. International Company Profile, document held by author available upon request.

74 Muhammad Abbas. Sanctions Explorer. C4ADS and Archer. Retrieved from: <https://sanctionsexplorer.org/sdn>

75 (2009, August 14) East Mediterranean Tobacco Company Credit Report. International Company Profile, document held by author available upon request.

76 Corporate registrations for all five companies accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

77 Mountec Holding SAL. Lebanese Commercial Register, document held by author available upon request.

78 General Company for Spare Parts GENCO Limited. Lebanese Commercial Register, document held by author available upon request.

79 STS Offshore. Lebanese Commercial Register, document held by author available upon request.

80 First Aid SARL. Lebanese Commercial Register, document held by author available upon request.

81 Barly Offshore SAL. Lebanese Commercial Register, document held by author available upon request.

82 (2016, July 13) Lista Corpului Diplomatic, Directia Protocol. Ministerul Afacerilor Externe, Guvernul Romaniei. Retrieved from: [https://www.mae.ro/sites/default/files/file/anul\\_2016/2016.pdf/2016.07.26\\_lcd.pdf](https://www.mae.ro/sites/default/files/file/anul_2016/2016.pdf/2016.07.26_lcd.pdf)

83 (2012, January 18) Council Regulation (EU) No 36/2012 of 18 January 2012 concerning restrictive measures in view of the situation in Syria and repealing Regulation (EU) No 442/2011. Council of the European Union. Retrieved from: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02012R0036-20170927&from=ES>

84 Poenariu, A., Pavel, A., Leonte, C., & Attila, B. (2018, March 6) Romanian Army Land Used by NATO Owned by Friends and Kin of Syrian Dictator. The Organized Crime and Corruption Reporting Project (OCCRP). Retrieved from: <https://www.occrp.org/en/paradisepapers/romanian-army-land-used-by-nato-owned-by-friends-and-kin-of-syrian-dictator>

85 Despre noi. AMBASADA ROM NIEI in Republica Arabă Siriană. Retrieved from: <http://damasc.mae.ro/hode/148>

86 (2008, September 23) Presentation of copies of credentials. Press releases. Ministry of Foreign Affairs and European Integration of the Republic of Moldova. Retrieved from: <http://www.mfa.gov.md/press-releases-en/474952/>

87 Ali Aim Otham. Conexiuni. Rise Project. Retrieved from: <https://www.riseproject.ro/persoana/ali-aim-othman/>

88 Kaswarah Othamn. Conexiuni. Rise Project. Retrieved from: <https://www.riseproject.ro/persoana/kaswarah-othman/>

89 Vidro, N. (Pfc.). (2017, July 19) US, Romanian forces have a blast over Black Sea. US Army. Retrieved from: [https://www.army.mil/article/191078/us\\_romanian\\_forces\\_have\\_a\\_blast\\_over\\_black\\_sea](https://www.army.mil/article/191078/us_romanian_forces_have_a_blast_over_black_sea)

90 Poenariu, A., Pavel, A., Leonte, C., & Attila, B. (2018, March 6) Romanian Army Land Used by NATO Owned by Friends and Kin of Syrian Dictator. The Organized Crime and Corruption Reporting Project (OCCRP). Retrieved from: <https://www.occrp.org/en/paradisepapers/romanian-army-land-used-by-nato-owned-by-friends-and-kin-of-syrian-dictator>

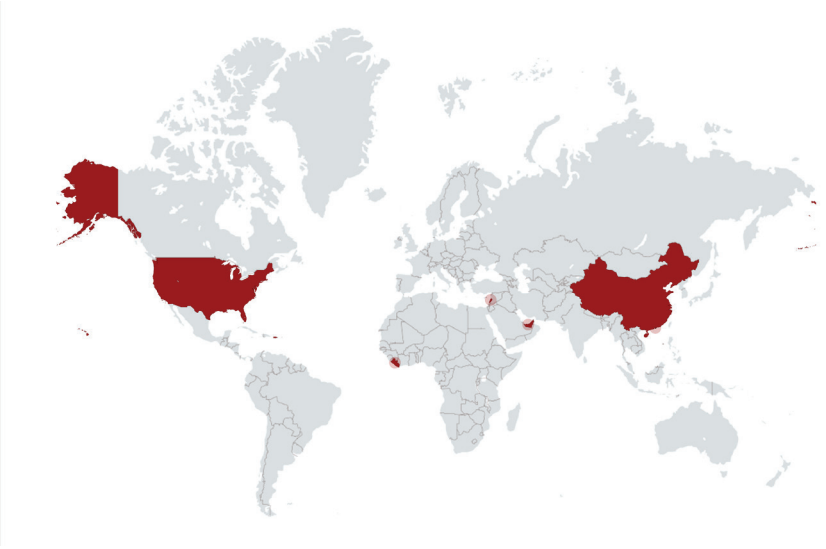
91 Poenariu, A., Pavel, A., Leonte, C., & Attila, B. (2018, March 6) Romanian Army Land Used by NATO Owned by Friends and Kin of Syrian Dictator. The Organized Crime and Corruption Reporting Project (OCCRP). Retrieved from: <https://www.occrp.org/en/paradisepapers/romanian-army-land-used-by-nato-owned-by-friends-and-kin-of-syrian-dictator>

92 Poenariu, A., Pavel, A., Leonte, C., & Attila, B. (2018, March 6) Romanian Army Land Used by NATO Owned by Friends and Kin of Syrian Dictator. The Organized Crime and Corruption Reporting Project (OCCRP). Retrieved from: <https://www.occrp.org/en/paradisepapers/romanian-army-land-used-by-nato-owned-by-friends-and-kin-of-syrian-dictator>

93 Corporate registrations for all ten companies accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

94 Corporate registrations for all seven companies accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

# The Amhaz Network



Lebanese brothers **Kamel Mohamed Amhaz** and **Issam Mohamed Amhaz** were sanctioned by the US Department of the Treasury in July 2014 for aiding the procurement of sophisticated electronics for military equipment, including unmanned aerial vehicles (UAVs) used in Hezbollah military operations in Syria and Israel.<sup>1</sup> The brothers acquired these electronics using their Lebanon-based company, **Stars Group Holding**, and its affiliated subsidiaries, which are listed below and were included in the designation.<sup>2</sup>

- **Unique Stars Mobile Phones LLC** (UAE)
- **Stars International Ltd** (China)
- **Stars Communications Ltd** (Lebanon)
- **Teleserve Plus SAL** (Lebanon)
- **Stars Communications Offshore Sal** (Lebanon)
- **Fastlink SAL** (Lebanon) (also identified as Fastlink SARL by OFAC)<sup>3</sup>

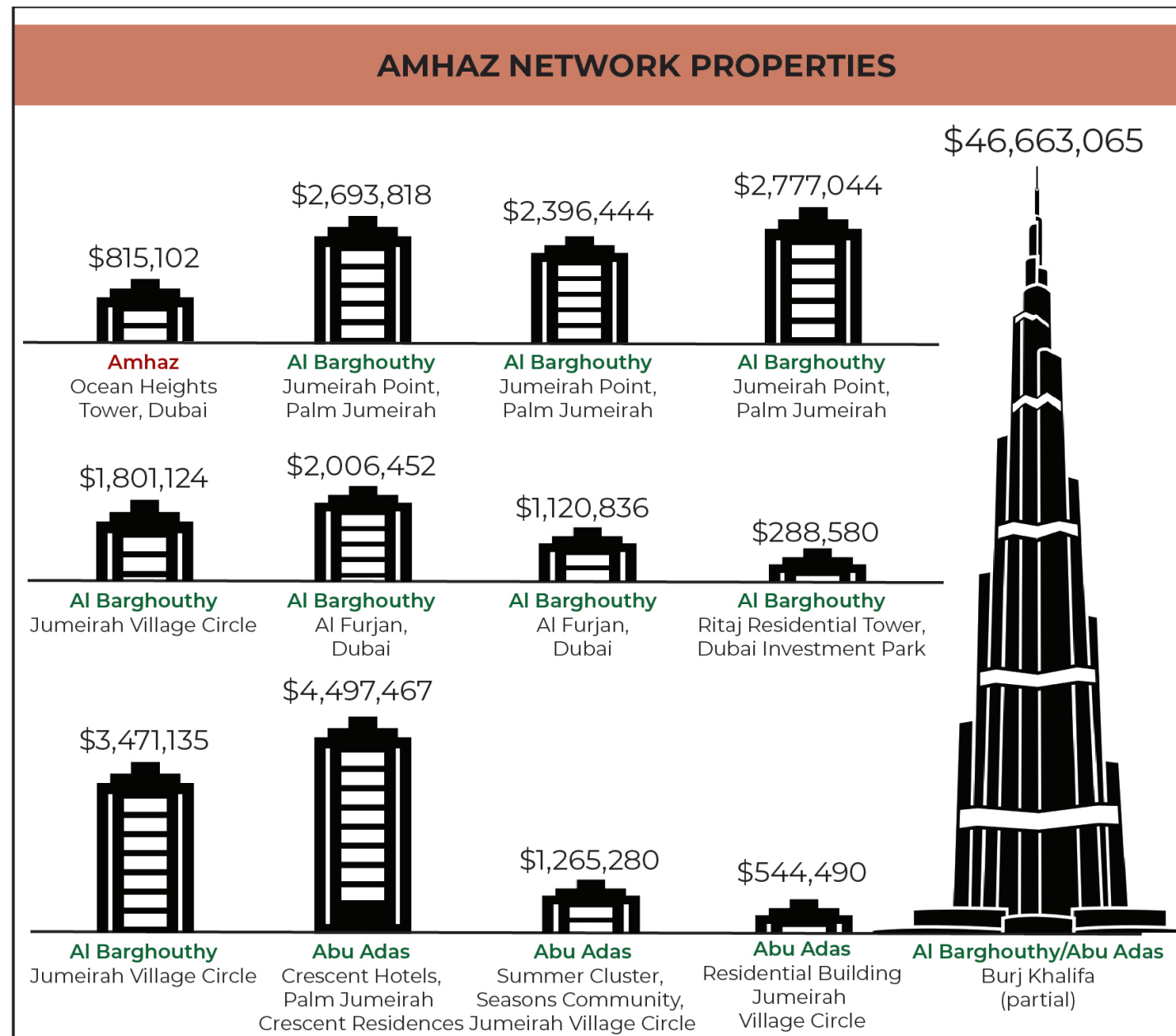
According to the property data, Issam Amhaz has been affiliated with property in Dubai worth approximately \$815,000.<sup>4</sup> However, as discussed below, Kamel, Issam, and the other Stars Group directors also maintain an expansive network of unsanctioned companies and corporate affiliates with significant interests in the UAE, Lebanon, the US, Liberia, and beyond. These previously unidentified companies include additional small electronics companies, African oil interests, real estate investment companies, and arms contractors. Across these companies, the Amhaz brothers have five partners of particular interest. These individuals each have additional, distinct investments, including \$70 million in property in the UAE and significant real estate holdings in the US.<sup>5 6</sup> Individual partners are also connected to corruption schemes in Liberia, money laundering activity in Lebanon, and possibly the US.<sup>7 8 9 10</sup>

\$70 MILLION

13 PROPERTIES



## USE OF REAL ESTATE



Property data show that one of the sanctioned Amhaz brothers (Issam Amhaz) is associated with one property in Dubai.

Hezbollah has previously blended real estate and commercial investments as vehicles for procurement and money laundering.<sup>11 12</sup> As detailed by the US Department of the Treasury in its designation summaries for the now-sanctioned Tajideen and Tabaja networks, both groups used real estate to launder and re-invest illicit funds on behalf of Hezbollah.<sup>13</sup>

Issam's identity and affiliation with the property was confirmed by his use of emails and an address on property records that corresponds to three different sanctioned companies within the Amhaz network, companies that will be discussed below.<sup>15</sup>

Two additional individuals explored further below, **Mohammad Jawdat Ayesh Mustapha Al Barghouthy** and **Ali Mohammad Salem Abu Adas**, had previously appeared on paperwork for companies alongside the sanctioned Kamel Amhaz according to commercial credit reports and documents from the Lebanese Ministry of Justice.<sup>16 17</sup> They are also associated with several Dubai land plots, hotels, and residential buildings, as listed below, cumulatively worth roughly \$69.6 million.<sup>18 19</sup> Their ties to two of these plots were corroborated by online commercial listings.<sup>20 21</sup>

The extent of Abu Adas and Al Barghouthy's involvement with sanctioned companies alongside the Amhaz brothers remains unclear, but is detailed further below. However, Abu Adas and Al Barghouthy were both listed on company

credit reports for an additional four companies in the UAE that also dealt in mobile phones and small electronics.<sup>22</sup> Two of these four additional companies shared an address with a sanctioned Amhaz company in Dubai, according to company credit reports last updated between 2014 and 2017.<sup>23</sup>

## UNSANCTIONED AMHAZ-LINKED COMPANIES

In addition to their sanctioned companies, according to official public records Kamel and Issam Amhaz have maintained various roles, including those of founder, shareholder, partner, director, and member of the board on several unsanctioned companies based in Lebanon and Hong Kong, including:

- **Unique Stars International Limited** (Hong Kong)<sup>24</sup>
- **Liban Stars SAL** (Lebanon)<sup>25</sup>
- **Special Operations Group SAL** (Lebanon)<sup>26</sup>
- **Amhaz Original** (Lebanon)<sup>27</sup>
- **KAF Investments SAL** (Lebanon)<sup>28</sup>
- **Arctic North Company for General Trading SAL** (Lebanon)<sup>29</sup>

Further investigation revealed that each of these companies was tied to sanctioned entities via common shareholders and company officers. In one example, Issam Amhaz held 100% of the shares in and was the sole employee of the unsanctioned Hong Kong company Unique Stars International Limited, which appeared similar in name to the sanctioned Amhaz-linked mainland Chinese company Stars International Limited.<sup>30 31</sup> On public records for Unique Stars, Issam listed his address as Chiyah, Old Saida Road, Dallas Centre, 6/F, Beirut, Lebanon– the same address listed by the US Department of the Treasury for the sanctioned companies Fastlink SAL, Stars Group Holding, and Teleserve Plus SAL.<sup>32</sup> Unique Stars International was still listed as active as of May 2018, although there is almost no online presence or open-source information available on its activities.<sup>33</sup>

表格 Form	<h1 style="margin: 0;">AR1</h1>	公司編號 Company Number <div style="border: 1px solid black; padding: 5px; display: inline-block;">1210698</div>
<p>10 有股本公司的成員詳情 Details of Member(s) of a Company Having a Share Capital</p> <p><small>(有股本的公司必須填寫此項。如表格應填於下列表格內，請用圓珠 A 填報。* Company having a share capital must complete this section. Use Continuation Sheet A if there is insufficient space.)</small></p> <p>截至本申報表日期的成員詳情 Details of Member(s) as at the Date of this Return</p> <div style="border: 1px solid black; height: 30px; margin-top: 5px;"></div>		
<div style="border: 1px solid black; padding: 5px;">           股份類別 Class of Shares           <div style="border: 1px solid black; width: 200px; height: 30px; display: inline-block; vertical-align: middle;"></div> </div> <div style="border: 1px solid black; padding: 5px; margin-top: 5px; text-align: center;">             ORDINARY           </div>		

*Hong Kong corporate documentation showing Issam Amhaz, using a Lebanon address shared with sanctioned companies, as sole shareholder of Unique Stars*

In another example, the sanctioned Lebanese company Fastlink SAL appears to have changed its name to **KAF Investments SAL** at some point in 2018, several years after Fastlink was sanctioned.<sup>34</sup> KAF Investments listed Kamel Amhaz as a founder alongside two individuals who appear to be family members.<sup>35</sup> One of these individuals also served as a founder, shareholder, and board member of the sanctioned Stars Group Holding.<sup>36</sup> While Kamel Amhaz previously held 99% of shares in the sanctioned Fastlink SAL, he was not listed as holding shares in KAF Investments as of May 2018. Beyond these findings, it would not be immediately apparent that KAF Investments could be affiliated with Fastlink SAL or the sanctioned Amhaz network.

[illegible]

*The Lebanese corporate registration for the sanctioned Fastlink SARL (renamed KAF Investment SAL in 2018) shows that Abu Adas and Al Barghouthy cofounded the company with Kamel Amhaz*



## THE UNSANCTIONED CORPORATE PARTNERS

Although the Amhaz brothers and their sanctioned affiliates had an expansive corporate network surrounding them, five individuals stand out. These individuals either related directly to sanctioned companies or appeared in documents as being tied to unsanctioned companies alongside the Amhaz brothers. As detailed in the following sections, these connections separately link the larger network to other small electronics companies, grand corruption in Liberia, money laundering through Lebanon, and US real estate holdings.

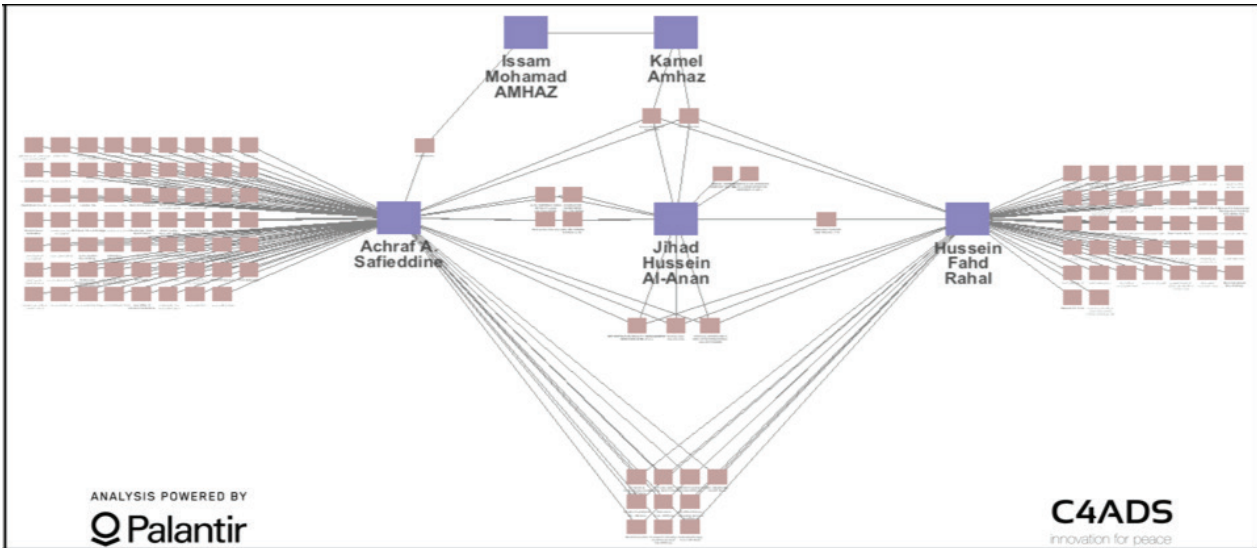
**Mohammad Jawdat Ayesh Mustapha Al Barghouthy** and **Ali Mohammad Salem Abu Adas**, as noted above, have had significant commercial real estate investments in the UAE and appear to have been tied to sanctioned companies with Kamel Amhaz. It is important to note that corporate records do not indicate the strength and nature of relationships between these actors nor their current degree of involvement in shared commercial activities. Al Barghouthy was the majority shareholder of the sanctioned Unique Stars Mobile in the UAE according to commercial credit reports from August 2014.<sup>37</sup> Al Barghouthy and Abu Adas appear to have been listed as founders of the sanctioned Fast Link SAL in Lebanon, according to the Lebanese Ministry of Justice and commercial credit reports.<sup>38 39</sup> Additionally, Al Barghothy and Abu Adas co-own a network of four cell phone companies in Dubai.<sup>40</sup> Commercial credit reports for two of these unsanctioned companies have listed the same address as the sanctioned Unique Stars Mobile Phones LLC.<sup>41</sup>

One of the unsanctioned companies, **Fast Telecom General Trading LLC**, was listed in commercial credit reports as an affiliate of the sanctioned company Unique Stars Mobile Phones.<sup>42</sup> Records reviewed indicate that the name of Fast Telecom was changed from Fast Link Mobile LLC in September 2014 to Fast Telecom, eight weeks after the designation of Fast Link Mobile SAL in Lebanon.<sup>43</sup>

Separately, **Hussein Fahd Rahal**, **Jihad Hussein El Annan**, and **Achraf Assem Safieddine** have each, at one time, been listed on Lebanese Ministry of Justice documents alongside Kamel Amhaz.<sup>44 45</sup> These three individuals have also been associated with a number of other Lebanese companies, often overlapping in corporate affiliations, as shown in the chart below. This network includes a company named **Special Operations Group**, founded by Kamel Amhaz, which renewed a weapons import license through the Lebanese government that was valid through 2016.<sup>46 47 48 49 50</sup> According to records from the Lebanese Ministry of Justice, Amhaz may no longer hold shares in the company,<sup>51 52</sup> but it appeared to be active as of May 2018.<sup>53</sup>

Achraf Assem Safieddine is a lawyer active in Lebanon who appeared on Lebanese Ministry of Justice records as the legal representative for the sanctioned company **Teleserve Plus**.<sup>54</sup> Safieddine was also affiliated with two of Kamel Amhaz's unsanctioned companies in Lebanon, as well as 17 other companies alongside the aforementioned El Annan and Rahal.<sup>55</sup> In addition to these 19 companies, there are 62 additional telecommunications, shipping, and trade companies for which Safieddine is a legal representative, shareholder, founder, or director.<sup>56</sup> Safieddine's law offices claim to have a sister company in the US, an angle explored further below.<sup>57</sup>

Safieddine has been associated with two Lebanese law firms, **Law Offices of Achraf A. Safieddine** and **Safieddine, Khoury and Jezzni Law Office**. The first law firm's website, as of May 2018, listed services including offshore company incorporation (including in multiple secrecy jurisdictions), real estate acquisition in Lebanon and the US, and advice on legal defense regulations for the US, Lebanon, Qatar, the Czech Republic, and other jurisdictions.<sup>58</sup> Through this firm, Safieddine has been associated with at least four companies dealing in weapons and security.<sup>59 60</sup> Two of the security companies that the law firm claimed to have worked with were founded, owned, or managed by Safieddine, El Annan, Rahal, or Kamel Amhaz.<sup>61</sup>



The Lebanese corporate holdings of Safieddine, El Anan, and Rahal show a high degree of convergence, including overlap with Kamel Amhaz

## THE WEST OIL SCANDAL

Upon further investigation, one of Safieddine's Lebanese companies reveals its involvement in previously reported illicit activity. On his Bayt.com professional networking profile, Safieddine claimed to have founded and formerly served as an associate to the CEO for **West Oil Investment**, one of the two largest petroleum importers in Liberia as of 2014.<sup>62 63</sup> He also claimed that West Oil was a "family business."<sup>64</sup>

One of Safieddine's business partners in West Oil Investment, **Jamal Abdelhussein Basma**, was blacklisted in 2001 by the UN and prohibited from traveling due to his role as an "informal advisor" to former Liberian President Charles Taylor.<sup>65</sup> Despite this restriction, the Liberian Chamber of Commerce listed Basma as President of West Oil Investment in Liberia as recently as April 2018.<sup>66</sup> Both Basma and Safieddine were also listed as officers in the Lebanon-based **West Oil Investments Co Sal Off Shore**, for which Safieddine appeared as a registered founder and legal representative in Lebanese Ministry of Justice documents, while Basma appeared as a founder, shareholder, manager, authorized signatory, and the President of the Board in Lebanese Ministry of Justice documents.<sup>67</sup>

Previous investigations by the UN Panel of Experts (UNPOE) in Liberia found that West Oil Investment, along with two other companies tied to Basma, colluded with **Edwin Melvin Snowe**, former director of the state-owned Liberian Petroleum and Refining Company (LPRC), who also happens to be the former son-in-law of Charles Taylor.<sup>68 69</sup> West Oil was accused of defrauding the UN Mission in Liberia (UNMIL) of \$1.77 million by overcharging UNMIL.<sup>70</sup> In August 2004, the UN, under Security Council Resolution 1532, froze Snowe's assets for his involvement in this corrupt self-enrichment scheme.<sup>71</sup>

The UNPOE investigation also discovered that throughout this corruption scheme, Snowe maintained a personal bank account in Lebanon that received hundreds of thousands of dollars from the Lebanese company **Creative Investments SAL**.<sup>72</sup> These transfers continued after Snowe's assets were frozen by the UN in 2004.<sup>73</sup> Corporate records published by the Lebanese Ministry of Justice listed four employees for Creative Investments SAL, three of whom are Jamal Abdelhussein Basma, **Ghassan Basma** (his relative), and Achraf Safieddine, who was listed as the company's founder, shareholder, member of the board, and legal representative.<sup>74</sup> This discovery suggests that not only did Safieddine have ties to the company that allegedly originated the fraud and corruption scheme, but he also had a connection to the company that transmitted the corrupt proceeds from Liberia to Lebanon, likely through the international financial system.

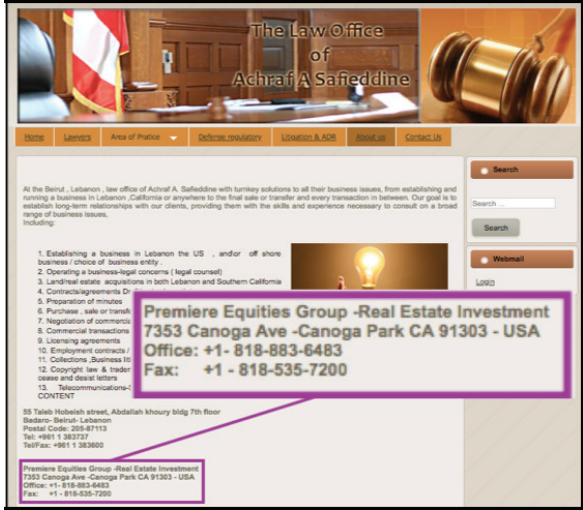
الجمهورية اللبنانية وزارة العدل السجل التجاري COMMERCIAL REGISTER	
شركة غرب النفط للاستثمارات في غرب افريقيا	
رقم التسجيل:	7425
الاسم التجاري:	شركة غرب النفط للاستثمارات في غرب افريقيا
الاسم القانوني:	WEST OIL INVESTMENTS CO SAL OFF SHORE
تاريخ التسجيل:	AM 12-00-00 01/11/1998
نوع الشركة:	شركة ذات مسؤولية محدودة
رأس المال:	250000000
نوع النشاط:	تجارة - تجارة مخارج - تجارة في غرب افريقيا
المدير:	جمال عبد الحسين بسما
المدير:	اشرف عاصم صفي الدين

الجمهورية اللبنانية وزارة العدل السجل التجاري COMMERCIAL REGISTER	
شركة غرب النفط للاستثمارات في غرب افريقيا	
رقم التسجيل:	1138
الاسم التجاري:	شركة غرب النفط للاستثمارات في غرب افريقيا
الاسم القانوني:	CREATIVE INVESTMENT SAL - OFFSHORE
تاريخ التسجيل:	AM 12-00-00 12/22/2001
نوع الشركة:	شركة ذات مسؤولية محدودة
رأس المال:	1250000000
نوع النشاط:	تجارة - تجارة مخارج - تجارة في غرب افريقيا
المدير:	جمال عبد الحسين بسما
المدير:	اشرف عاصم صفي الدين

Registration documents from the Lebanese Commercial Register show Jamal Basma and Achraf Safieddine in their roles with West Oil Investment and Creative Investment. Source: Lebanese Commercial Registry


## THE US NEXUS

Safieddine maintained significant ties to the United States. The website for his Lebanese law firm, The Law Office of Achraf A Safieddine, listed **Premiere Equities Group** as a sister company in the US as recently as May 2018.<sup>75</sup> As indicated on the law firm's website, Premiere Equities Group in Canoga Park, California (CA), provided real estate investment services and was located at 7353 Canoga Ave., Canoga Park, CA 91303.<sup>76</sup> Safieddine also listed Canoga Park, CA as his location on what appeared to be his Twitter account.<sup>77</sup> There is no company in California going by this exact name, but business records from the California Secretary of State show that the similarly-named company **Premiere Equities and Investment Group Inc.** was registered at the exact same address in 2008 and listed an individual named **Bill Jamal** as owner and sole registered director.<sup>78</sup> Jamal was listed as the sole registered director for eight additional companies also registered at the same address.<sup>79 80</sup>



Premiere Equities Group as featured on the law firm's website

that sold for \$3.1 million in 2007.<sup>88</sup> <sup>89</sup> Separately, Safieddine was linked to three properties in Massachusetts and Florida.<sup>90</sup>

<b>WHEN RECORDED MAIL TO:</b> <b>Achraf Assem Safieddine</b> 25210 Prado De Rosado Calabasas, Ca 91302	 *20111672975*
SPACE ABOVE THIS LINE FOR RECORDER'S USE	
<b>GRANT DEED</b>	
THE UNDERSIGNED GRANTOR(s) DECLARE(s) <input checked="" type="checkbox"/> unincorporated area	Documentary Transfer Tax is \$16.50 <input checked="" type="checkbox"/> computed on full value of interest or property conveyed, or full value less value of liens or encumbrances remaining at the time of sale
Parcel No. 2007-023-015/016/017/018 FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged. Nicole Lila Jamal hereby GRANT(s) to Achraf Assem Safieddine, a single man the following real property in the County of Los Angeles, State of California:	

The property deed for a plot owned by Achraf Safieddine on which he lists a fifth address. Source: Property Shark

When taken together, Safieddine, Jamal, and the businesses using the shared address of 7353 Canoga Ave. were associated with an additional 25 properties in California.<sup>91</sup> These properties appear to be a mix of residential and commercial real estate, and many were valued between \$1-2 million.<sup>92</sup> Between 2000 and 2017, according to a commercial real estate record provider, Safieddine, Jamal, and the associated companies exchanged ownership of the properties amongst themselves, often transferring them for substantially lower prices as compared to the original purchase prices.<sup>93</sup> In one case, shown below, Jamal appears to have purchased a property for \$950,009 in 2010 and then resold this property to Safieddine for \$400,000 in 2011.<sup>94</sup> Similarly, Jamal bought a second property for \$2,135,021 in 2000, and sold it to Infinity Commercial LLC (a company affiliated with Jamal, Safieddine, and the 7353 Canoga Ave. address) for \$1,475,000 one year later.<sup>95</sup>

Date	Type	Amount	Party 1	Party 2	Document
12/12/2011	Deed	\$400,000	Jamal Bill	Safieddine Achraf Assem	20111672976
12/16/2010	Deed - M	\$950,009	Grande Grace Therese Presto Trustee Grande Peter Felix Trustee Grande Trust	Jamal Bill	20101867612
5/16/2001	Deed	\$1,475,000	Jamal, Bill	Infinity Commercial LLC 7353 Canoga Ave FL4 Canoga Park 91303	20010835772
6/13/2000	Deed (Sale for consideration - full DTT)	\$2,135,021		Jamal, Bill	20000904389

Property ownership records show the transfer of property between Safieddine, Jamal, and Infinity for prices significantly lower than the original purchase price. Source: Property Shark

Such activity does not necessarily constitute any wrongdoing, although the trends seen above are listed as risk indicators associated with money laundering via real estate, according to the Financial Action Task Force's (FATF) report *Money Laundering & Terrorist Financing Through The Real Estate Sector*.<sup>96</sup> The relevant indicators identified by FATF include property undervaluation, the use of proxy owners, and frequent revolving sales designed to obfuscate ownership over time.<sup>97</sup> <sup>98</sup>

Elsewhere, Safieddine also had overlapping property affiliations with **Akram Basma**, who was linked to US properties and to the Liberian petroleum sector.<sup>99</sup> In addition to his involvement in the previously discussed Liberian oil scandal involving Jamal Basma and West Oil, Akram Basma was also blacklisted by the UN in 2001 as an informal advisor to former Liberian President Charles Taylor.<sup>100</sup> Akram Basma has owned or directed five oil companies: three in the US and two in Liberia, one of which was involved in corruption schemes according to the UN.<sup>101</sup> <sup>102</sup> <sup>103</sup> <sup>104</sup> <sup>105</sup> The other two US petroleum companies, which are now inactive,<sup>106</sup> previously bought and sold properties in Florida and Colorado, in some cases selling these properties back to Akram Basma. He has bought and sold at least 10 properties between himself and his petroleum companies, with properties spanning California, Colorado, Florida, and New York.<sup>107</sup> One of Akram Basma's properties in Florida was also previously listed as a personal address by Safieddine.<sup>108</sup>

## CONCLUSION

Kamel and Issam Amhaz were originally sanctioned for aiding Hezbollah military operations through the procurement of sophisticated electronics later used to develop UAVs deployed in Syria and Israel. Though six of the Amhaz brothers' companies were originally sanctioned, the brothers have played founding, managerial, and ownership roles in six additional unsanctioned companies in Lebanon and Hong Kong. While Issam was associated with one property in Dubai, the network of individuals surrounding the Amhaz brothers, comprised of multiple unsanctioned companies and their affiliates, was collectively associated with \$69.5 million in Dubai real estate. The network of individuals around the Amhaz brothers has been tied to corruption and illicit finance schemes in West Africa, private security and weapons importation companies in Lebanon, and a significant portfolio of US-based properties. Altogether, there is compelling evidence that the wider Amhaz network had the infrastructure to move substantial amounts of money, as well as market access to small electronics and arms procurement, while also maintaining a significant property and commercial footprint.



ENDNOTES

1 (2014, July 10) Treasury Sanctions Procurement Agents of Hizballah Front Company Based In Lebanon With Subsidiaries In The UAE And China. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl2562.aspx>

2 (2014, July 10) Treasury Sanctions Procurement Agents of Hizballah Front Company Based In Lebanon With Subsidiaries In The UAE And China. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl2562.aspx>

3 (2014, July 10) Treasury Sanctions Procurement Agents of Hizballah Front Company Based In Lebanon With Subsidiaries In The UAE And China. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl2562.aspx>

4 UAE Property and Residency Dataset.

5 UAE Property and Residency Dataset.

6 PropertyShark. Documents held by author, available upon request.

7 (2014, December 11) “الحكمة-الخاصة-اتصالات-بين-حافظ-حمادة-والشيكات المشهورة (حكمت عبيد-السفير) . المدي”. Retrieved from: <https://www.almada.org/اتصالات-بين-حافظ-حمادة-والشيكات المشهورة>

8 (2007, June 7) Letter dated 7 June 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council. United Nations Security Council. Retrieved from: <http://www.poa-iss.org/CASAUplod/ELibrary/S-2007-340-Ex-Liberia-E.pdf>

9 Company registrations accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

10 PropertyShark. Documents held by author, available upon request.

11 (2010, December 9) Treasury Targets Hizballah Financial Network. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg997.aspx>

12 (2015, June 10) Treasury Sanctions Hizballah Front Companies and Facilitators in Lebanon And Iraq. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0069.aspx>

13 (2010, December 9) Treasury Targets Hizballah Financial Network. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/tg997.aspx>

14 (2015, June 10) Treasury Sanctions Hizballah Front Companies and Facilitators in Lebanon And Iraq. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/press-center/press-releases/Pages/jl0069.aspx>

15 UAE Property and Residency Dataset.

16 Unique Stars Mobile Phones LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.

17 Fast Link SAL. Lebanese Commercial Register Filing, document held by author available upon request.

18 UAE Property and Residency Dataset.

19 Mr. Mohammed Jawdat Ayesh Mustafa Albarguthi and Mr. Ali Mohd Salem Abu Adas. Beacon Construction. Retrieved from: <http://www.becon.ae/project/detail/mr-mohammed-jawdat-ayesh-mustafa-albarguthi-and-mr-ali-mohd-salem-abu-adas-207899769>

20 Untitled Plot JVC10BMRH009. Propsearch. Retrieved from: <https://www.propsearch.ae/dubai/buildings/untitled-plot-jvc10bmrh009>

21 Mr. Mohammed Jawdat Ayesh Mustafa Albarguthi and Mr. Ali Mohd Salem Abu Adas. Beacon Construction. Retrieved from: <http://www.becon.ae/project/detail/mr-mohammed-jawdat-ayesh-mustafa-albarguthi-and-mr-ali-mohd-salem-abu-adas-207899769>

22 Credit reports for all five companies accessed through Cedar Rose corporate aggregator, documents held by author available upon request.

23 Credit reports for all five companies accessed through Cedar Rose corporate aggregator, documents held by author available upon request.

24 Unique Stars International Limited. Hong Kong Business Registry Filing, document held by author available upon request.

25 Liban Stars SAL. Lebanese Commercial Register Filing, document held by author available upon request.

26 Special Operations Group. Cedar Rose Company Credit Report Filing, document held by author available upon request.

27 Though Amhaz Original maintains an active social media presence and is reported on in public media, it does not appear to be officially registered in Lebanon. Lebanon Commercial Registry.

28 KAF Investment SAL. Lebanese Commercial Register Filing, document held by author available upon request.

29 Arctic North Company for General Trading SAL. Lebanese Commercial Register Filing, document held by author available upon request.

30 Unique Stars International Limited. Hong Kong Business Registry Filing, document held by author available upon request.

31 (2014, July 10) Counter Terrorism Designations. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20140710.aspx>

32 (2014, July 10) Counter Terrorism Designations. United States Department of the Treasury. Retrieved from: <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20140710.aspx>

33 Unique Stars International Limited. Hong Kong Business Registry Filing, document held by author available upon request.

34 KAF Investment SAL. Lebanese Commercial Register Filing, document held by author available upon request.

35 KAF Investment SAL. Lebanese Commercial Register Filing, document held by author available upon request.

36 Stars Group SAL Holding. Lebanese Commercial Register Filing, document held by author available upon request.

37 Unique Stars Mobile Phones LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.

38 Fast Link SAL. Lebanese Commercial Register Filing, document held by author available upon request.

39 Unique Stars Mobile Phones LLC. Cedar Rose Company Credit Report Filing, document held by author available upon request.

40 Fast Telecom Electronics Trading LLC, Arkan Express International Telecom LLC, Sell Site Telecom LLC, and Digimob Phone LLC. Cedar Rose Company Credit Filings, documents held by author available upon request.

41 Fast Telecom Electronics Trading LLC, Arkan Express International Telecom LLC, Sell Site Telecom LLC, and Digimob Phone LLC. Cedar Rose Company Credit Filings, documents held by author available upon request.

42 Fast Telecom General Trading. Cedar Rose Company Credit Report Filing, document held by author available upon request.

43 Fast Telecom General Trading. Cedar Rose Company Credit Report Filing, document held by author available upon request.

44 Special Operations Group SAL. Lebanese Commercial Register Filing, document held by author available upon request.

45 Liban Stars SARL. Lebanese Commercial Register Filing, document held by author available upon request.

46 This does not represent the full extent of the Amhaz brothers’ corporate footprint – only companies connected to Safieddine, El Anan, and Rahal were included.

47 Corporate registrations for both companies accessed through Lebanese Commercial Register. Documents held by author, available upon request.

48 (2014, November 13) SOG to Reinforce Lebanon and the Czech Republic Relation. SDArabia. Retrieved from: <http://english.sdarabia.com/?p=872>

49 The Threat of Individual Armament. Metropolitan Security. Retrieved from: <http://metropolitansecurity.com.lb/new/media-center/news/the-threat-of-individual-armament>

50 Special Operations Group. Cedar Rose Company Credit Report Filing, document held by author available upon request.

51 Special Operations Group SAL. Lebanese Commercial Register Filing, document held by author available upon request.

52 As of May 2018, Amhaz was not listed as a shareholder of the company but he maintained the role of founder. Lebanese Ministry of Justice records appear to continue to list founder roles, even if the individual may no longer maintain an active position in the company.

53 Special Operations Group SAL. Lebanese Commercial Register Filing, document held by author available upon request.

54 Teleserve Plus. Lebanese Commercial Register Filing, document held by author available upon request.

55 Corporate registrations for all 19 companies accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

56 Corporate registrations for all 62 companies accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

57 Business Law. The Law Office of Achraf A Safieddine. Retrieved from: <http://www.safilaw.com/index.php/area-of-practice>

58 The Law Office of Achraf A Safieddine. Retrieved from: <http://www.safilaw.com/index.php>

59 The Law Office of Achraf A Safieddine. Retrieved from: <http://www.safilaw.com/index.php>

60 Security and Defense Regulatory. The Law Office of Achraf A Safieddine. Retrieved from: <http://www.safilaw.com/index.php/defense-regulatory>

61 Corporate registrations for both companies accessed through the Lebanese Commercial Register. Documents held by author, available upon request.

62 Achraf Safieddine. Bayt Profile. Retrieved from: <https://people.bayt.com/achraf-safieddine-22192180/>

63 (2014, February 17) Liberia: West Oil, Total Bring in Fuel Oil. AllAfrica. Retrieved from: <http://allafrica.com/stories/201402171652.html>

64 Achraf Safieddine. Bayt Profile. Retrieved from: <https://people.bayt.com/achraf-safieddine-22192180/>

65 (2001, June 4) Security Council Committee List on Liberia. Global Policy Forum. Retrieved from: <https://www.globalpolicy.org/component/content/article/202/42349.html>

66 West Oil Investment Description. Liberia Chamber of Commerce. Retrieved from: [www.lccr.org/members.php?&916586c8ac87cf1a18ea5d004facb87e=Nzc%3D](http://www.lccr.org/members.php?&916586c8ac87cf1a18ea5d004facb87e=Nzc%3D) – Since the investigation, this specific page has gone dead. C4ADS maintains a file of the website as it appeared in April 2018, prior to going inactive. Available upon request.

67 West Oil Investments CO SAL OFF SHORE. Lebanese Commercial Register Filing, document held by author available upon request. Retrieved from: <http://cr.justice.gov.lb/>

68 (2007, June 7) Letter dated 7 June 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council. United Nations Security Council. Retrieved from: <http://www.poa-iss.org/CASAUplod/ELibrary/S-2007-340-Ex-Liberia-E.pdf>

69 (2006, January 3) UN enforces travel ban on newly elected lawmakers. IRIN News. Retrieved from: <http://www.irinnews.org/news/2006/01/03/un-enforces-travel-ban-newly-elected-lawmakers>

70 (2007, June 7) Letter dated 7 June 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council. United Nations Security Council. Retrieved from: <http://www.poa-iss.org/CASAUplod/ELibrary/S-2007-340-Ex-Liberia-E.pdf>

71 (2006, December 15) Letter dated 13 December 2006 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council. United Nations Security Council. Retrieved from: <http://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/Liberia%20S2006976.pdf>

72 (2007, June 7) Letter dated 7 June 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council. United Nations Security Council. Retrieved from: <http://www.poa-iss.org/CASAUplod/ELibrary/S-2007-340-Ex-Liberia-E.pdf>

73 (2007, June 7) Letter dated 7 June 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council. United Nations Security Council. Retrieved from: <http://www.poa-iss.org/CASAUplod/ELibrary/S-2007-340-Ex-Liberia-E.pdf>

74 Creative Investments SAL. Lebanese Commercial Register Filing, document held by author available upon request. Retrieved from: <http://cr.justice.gov.lb/>

75 About Us. The Law Office of Achraf A Safieddine. Retrieved from: <http://www.safilaw.com/index.php/about-us>

76 About Us. The Law Office of Achraf A Safieddine. Retrieved from: <http://www.safilaw.com/index.php/about-us>

77 Safieddine, A. Twitter Profile. Retrieved from; <https://twitter.com/safilaw?lang=en>

78 Premiere Equities and Investment Group, Inc. Registration. California Business Registry Filing, document held by author available upon request.

79 Company filings for all eight companies accessed through the California Business Registry, documents held by author available upon request.

80 7353 Canoga Ave., CA. Google Maps. Retrieved from: [https://www.google.com.co/maps/place/7353+Canoga+Ave,+Canoga+Park,+CA+91303,+USA/@34.2044034,-118.5974381,3a,61.4y,270.13h,91.97t/data=!3m6!1e1!3m4!1sGw7oxom2Gf\\_QS6vOuN8SigI2e07!1i3312i8i6656!4m5!3m4!1s0x80c29c6b502e890b:0x20fc3923e5e87ce8!8m2!3d34.2043957!4d-118.5978165](https://www.google.com.co/maps/place/7353+Canoga+Ave,+Canoga+Park,+CA+91303,+USA/@34.2044034,-118.5974381,3a,61.4y,270.13h,91.97t/data=!3m6!1e1!3m4!1sGw7oxom2Gf_QS6vOuN8SigI2e07!1i3312i8i6656!4m5!3m4!1s0x80c29c6b502e890b:0x20fc3923e5e87ce8!8m2!3d34.2043957!4d-118.5978165)

81 Jamal, B. Twitter Profile. Retrieved from: <https://twitter.com/Premiere34Bill/followers?lang=en>

82 Achraf Safieddine. Bayt Profile. Retrieved from: <https://people.bayt.com/achraf-safieddine-22192180/>

83 Infinity Commercial, LLC. California Business Registry Filing, document held by author available upon request.

84 Achraf Safieddine. Bayt Profile. Retrieved from: <https://people.bayt.com/achraf-safieddine-22192180/>

85 Infinity Commercial, LLC. California Business Registry Filing, document held by author available upon request.

86 Achraf Safieddine. Search by Owner. Property Shark, documents held by author available upon request.

87 Achraf Safieddine. Search by Owner. Property Shark, documents held by author available upon request.

88 25210 Prado De Rosado, Calabasas, CA 91302. Zillow. Retrieved from: [https://www.zillow.com/homedetails/25210-Prado-De-Rosado-Calabasas-CA-91302/79799999\\_zpid/](https://www.zillow.com/homedetails/25210-Prado-De-Rosado-Calabasas-CA-91302/79799999_zpid/)

89 Bill Jamal. Search by Owner. Property Shark, documents held by author available upon request.

90 Commercial consumer background report, document held by author.

91 Property deeds for all 25 properties accessed through Property Shark, documents held by author available upon request.

92 Property deeds for all 25 properties accessed through Property Shark, documents held by author available upon request.

93 Achraf Safieddine. Search by Owner. Property Shark, documents held by author available upon request.

94 Property Deed analysis for properties associated with Achraf Assem Safieddine and Bill Jamal. Property Shark, documents held by author available upon request.

95 Property Deed analysis for properties associated with Achraf Assem Safieddine and Bill Jamal. Property Shark, documents held by author available upon request.

96 (2007, June 29) Money Laundering & Terrorist Financing Through Real Estate. The Financial Action Task Force (FATF). Retrieved from: <http://www.fatf-gafi.org/media/fatf/documents/reports/ML%20and%20TF%20through%20the%20Real%20Estate%20Sector.pdf>

97 (2007, June 29) Money Laundering & Terrorist Financing Through Real Estate. The Financial Action Task Force (FATF). Retrieved from: <http://www.fatf-gafi.org/media/fatf/documents/reports/ML%20and%20TF%20through%20the%20Real%20Estate%20Sector.pdf>

98 Taimour, A. (2016, February 17) Money Laundering Schemes In Real Estate. Corporate Compliance Insights. Retrieved from: <http://www.corporatecomplianceinsights.com/money-laundering-schemes-in-real-estate/>

99 Property Shark, documents held by author available upon request.

100 (2001, June 4) Security Council Committee List on Liberia. Global Policy Forum. Retrieved from: <https://www.globalpolicy.org/component/content/article/202/42349.html>

101 Akram Basma. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/akram-basma-42229760/>

102 Liberia: Kimmy Weeks Threatens Legal Action. NEPAD. Retrieved from: <http://nepadwatercoe.org/liberia-kimmie-weeks-threatens-legal-action/>

103 (2007, June 7) Letter dated 7 June 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council. United Nations Security Council. Retrieved from: <http://www.poa-iss.org/CASAUplod/ELibrary/S-2007-340-Ex-Liberia-E.pdf>

104 Akram Basma. LinkedIn Profile. Retrieved from: <https://www.linkedin.com/in/akram-basma-42229760/>

105 (2007, June 7) Letter dated 7 June 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1521 (2003) concerning Liberia addressed to the President of the Security Council. United Nations Security Council. Retrieved from: <http://www.poa-iss.org/CASAUplod/ELibrary/S-2007-340-Ex-Liberia-E.pdf>

106 Commercial consumer background report, document held by author.

107 Property Deed analysis for properties associated with Akram Basma. Property Shark, documents held by author available upon request.

108 Commercial consumer background report, document held by author.



# CONCLUSION

Our case studies are intended to highlight the systemic vulnerabilities in Dubai’s real estate sector and the various methods through which illicit criminal actors exploit such markets to expand their commercial operations—all while evading sanctions prohibitions designed to block their access to the international financial system. Collectively, these case studies demonstrate how the perils of lax regulation and enforcement go well beyond economic impact alone, particularly in sectors as vulnerable to money laundering as real estate. Ultimately, the transformation of Dubai’s property market into a haven for illicit capital has far-reaching implications for global stability and security, enabling and facilitating global purveyors of corruption, crime, extremism, and terror.

This report focused exclusively on US-sanctioned individuals who have held UAE property in their own names. However, this is an extremely narrow subset of illicit actors, and ostensibly among the highest risk, so these case studies very likely represent only a fraction of the potential illicit activity with ties to the UAE’s property market. The examples presented in this report are only a small sample of a much larger, more diffuse set of criminal and illicit actors manipulating real estate assets across several problematic jurisdictions, including the UK, Australia, Qatar, and the US. The same indicators and typologies we identify in Dubai are likely also applicable across high-risk property markets around the world. For example, the Amhaz brothers and their key unsanctioned associates not only established and served on 132 companies in the UAE and Lebanon, but also maintained property holdings in the UAE worth \$69.6 million and substantial property holdings across multiple jurisdictions in the US.

The costs of encouraging unrestricted and unmonitored capital inflows by de-prioritizing transparency and accountability have not truly been captured. These costs extend far beyond elite enrichment, to also include direct facilitation for some of the world’s most destabilizing actions.

- Criminals benefit from a broad regulatory loophole whereby most jurisdictions do not subject their real estate agents and title insurance companies to anti-money laundering reporting or regulation requirements, safeguards that are now considered standard in the financial services and banking sectors.<sup>1 2</sup> Governments, particularly in vulnerable real estate markets, must develop better processes to identify high-risk clients and submit them to enhanced due diligence. For example, one such manifestation could be the adaptation of “Know Your Customer” checks that are mandatory within the banking sector.
- Illicit actors hide their true ownership of property through various methods, including the use of shell companies, corporate nominees, and family associates. Demanding and maintaining additional beneficial ownership information regarding the identity of the true purchaser at the time of sale would significantly assist regulatory and enforcement efforts within the real estate sector. Pairing ownership information with enhanced legislative tools, such as the UK’s new Unexplained Wealth Orders, could amplify various governments’ ability to locate, track, and ultimately disrupt the investment of illicit capital in real estate markets globally.
- Individuals seeking to manipulate real estate for unlawful purposes benefit from sporadic enforcement. Although the US Department of the Treasury’s Financial Crimes Enforcement Center (FinCEN) has issued anti-money laundering guidance and reporting requirements for the real estate sector, these requirements have been consistently waived for the last 15 years and the actual application of any standardized checks is not mandatory.<sup>3</sup> Geographic Targeting Orders (GTO’s) represent the first systematic effort to collect such information in the US, and in more than 30% of the real estate transactions identified under GTO’s, the purchaser or beneficial owner had previously been the subject of a Suspicious Activity Report (SAR).<sup>4</sup>

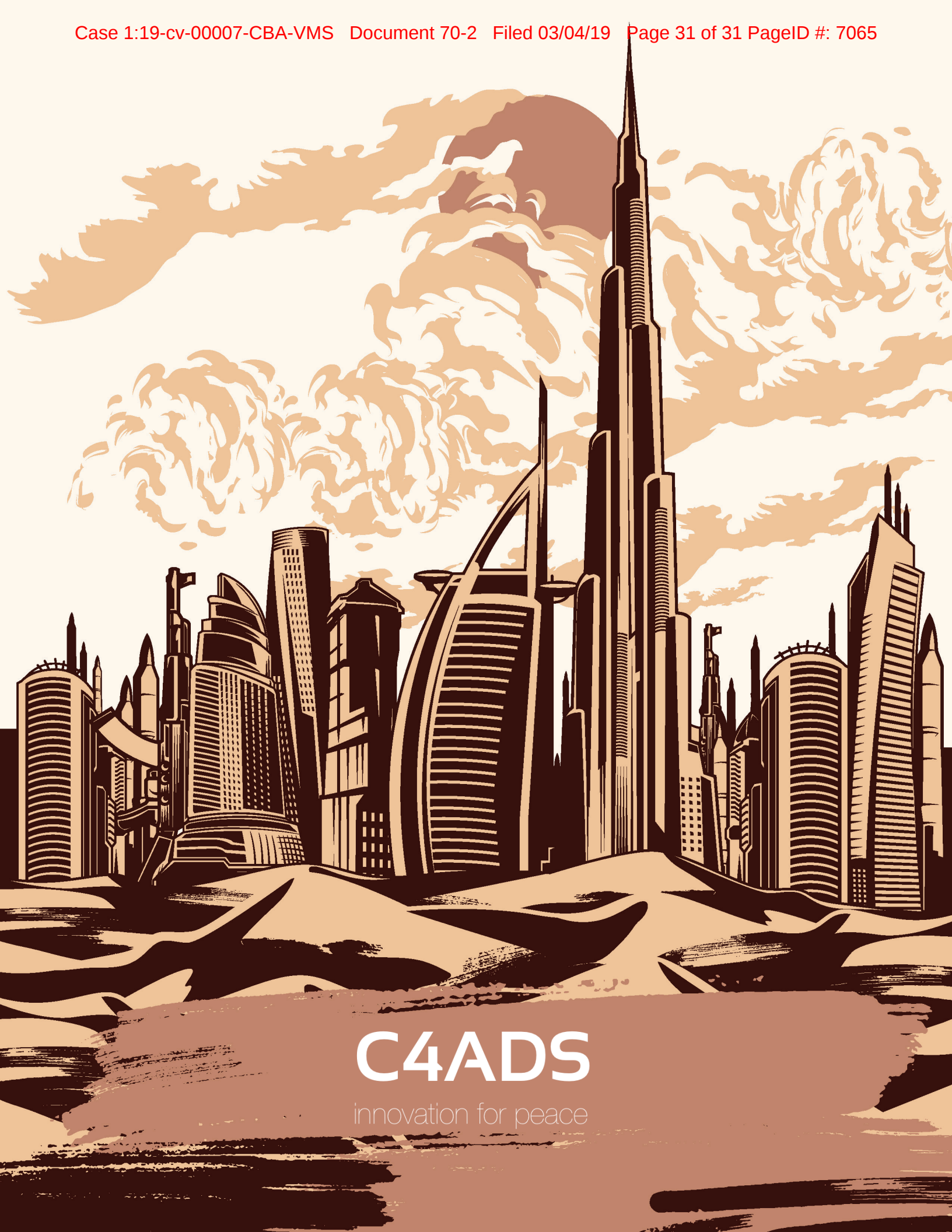
Ultimately, a poorly regulated real estate sector goes far beyond just allowing illicit investment; it also directly facilitates the highest tier of global threats – from terrorism and organized crime to corruption and conflict financing. Disrupting these threats will require substantial improvements in the policing and monitoring of the international financial system, particularly through the closing of information gaps in luxury real estate markets around the world.

1 Taimour, A. (2016, February 17) Money Laundering Schemes In Real Estate. Corporate Compliance Insights. Retrieved from: <http://www.corporatecomplianceinsights.com/money-laundering-schemes-in-real-estate/>

2 Citation 2: Davidson, J and Weldy, T. (2015, October 3) Dirty Deeds: Is American Real Estate Laundering Corrupt and Criminal Cash? The Hudson Institute. Retrieved from: <https://www.hudson.org/research/11759-dirty-deeds-is-american-real-estate-laundering-corrupt-and-criminal-cash>

3 Davidson, J and Weldy, T. (2015, October 3) Dirty Deeds: Is American Real Estate Laundering Corrupt and Criminal Cash? The Hudson Institute. Retrieved from: <https://www.hudson.org/research/11759-dirty-deeds-is-american-real-estate-laundering-corrupt-and-criminal-cash>

4 (2017, August 22) Advisory to Financial Institutions and Real Estate Firms and Professionals. Financial Crimes Enforcement Network, United States Department of the Treasury. Retrieved from: [https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory\\_FINAL%20508%20Tuesday%20%28002%29.pdf](https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory_FINAL%20508%20Tuesday%20%28002%29.pdf)



# C4ADS

innovation for peace